



Financial Regulations and Procedures

Version 5

Reviewed: Annually
Reviewer: MAT Finance Lead

Version History

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Introduction

- ◆ The overall responsibility for the expenditure of the Academy's budget and other Academy finances is that of the Headteacher.
- ◆ The Headteacher has responsibility for ensuring that all relevant staff have a copy of these regulations and procedures, understand their requirements and are made aware of any future changes agreed by the MAT Finance & Audit Committee.
- ◆ The Local Governing Board **may** appoint a Finance Committee with delegated powers according to the terms of reference agreed at the first meeting of the Local Governing Board in the Autumn term, subject to the overriding delegated authority from the MAT. Minutes of all Finance Committee meetings will be taken and copies circulated to all members of the Local Governing Board and the MAT Governance Officer in order that they are kept fully informed of all actions and decisions taken by the Finance Committee.
- ◆ The Board of Trustees must appoint a separate Finance & Audit Committee with delegated powers.
- ◆ Throughout this policy reference is made to 'Academies' within the MAT. This refers to any school or Pupil Referral Unit (PRU) which is part of the MAT. It should also be noted that the policy refers to Local Governing Boards which, with regards to the PRUs within the MAT, may be named as a Management Committee.
- ◆ It should be noted that where reference is made to 'Business Officer' this refers to the School Business Manager / Office Manager / Senior Admin Officer or other individual leading on business management support within the Academy
- ◆ These regulations and procedures will be reviewed annually by the MAT and kept up to date in each Academy by the Headteacher.
- ◆ The Local Governing Board will maintain a register of business & pecuniary interests in accordance with their policies. It is the duty of all Local Governors of the Academy to comply and ensure registration. The Academy should identify any businesses on the register when requesting set up for a new supplier on the finance system through the MD4 form.
- ◆ The Local Governors will operate within the guidelines of the MAT's Trustee and Governor Code of Conduct when carrying out their responsibilities. The financial and governance arrangements of the Academy should be compliant with the latest Academies Financial handbook. A new version is available from the ESFA website annually.

To all Academy staff including agency workers and volunteers

1. In any organisation it is essential to ensure sound financial administration. In Academies, the Headteacher has the responsibility for ensuring the proper administration of all financial affairs. The MAT has responsibility for determining the accounting systems used, and for prescribing the minimum level of record keeping necessary to achieve this.
2. Financial Regulations and Procedures govern the actions of all staff who have an involvement in the spending or collecting of money or any responsibility for the property of the Academy. Staff should therefore make sure that they are familiar with the contents of this document.
3. Financial Regulations and Procedures apply to all staff and transactions of the Academy. This is the case even where the spending is fully reimbursable by a third party or where it is covered by any other form of income.
4. The Headteacher has a responsibility to ensure that all Academy staff familiarise themselves with any changes to these regulations and procedures as they occur. Should any doubt exist on their meaning, the Business Officer /Headteacher should be consulted in the first instance and the MAT Finance Director thereafter.
5. These regulations also apply to any subsidiaries that the Academy may control or operate, e.g. Academy Fund, tuck shop.
6. Failure on the part of any member of staff to observe Financial Regulations and Procedures may result in disciplinary action.
7. It is the responsibility of all staff in cases of suspected fraud, misappropriation of funds, materials or equipment, or any other irregularities, to comply with the MAT's Anti-Fraud, Bribery and Corruption Policy and the Academy's 'Whistle-Blowing Policy/Confidential Reporting Code' and to report immediately to the Headteacher in the first instance and to the MAT Finance Director in the second instance.
8. It is the responsibility of the Headteacher/Local Governing Board to ensure that all cases of suspected fraud, misappropriation of funds (either official or subsidiary) materials or equipment, or any other irregularities are reported **immediately** to the MAT Finance Director.

A. GENERAL

1. The Headteacher shall be the responsible officer for the proper administration of the financial affairs of the Academy.
2. The Headteacher should provide regular budget monitoring reports to the Local Governing Board in a format agreed by Esteem Multi-Academy Trust (the 'MAT').
3. The Headteacher should present/submit any proposed capital expenditure over £10,000 to the Local Governing Board and the MAT Capital Panel, along with a financial assessment of the initial cost and any future running costs, any financial benefits and any grants that could be utilised.
4. The Headteacher will support these financial regulations with the issue of more detailed instructions to staff from time to time.
5. Any changes to the regulations will be subject to the approval of the Board of Trustees.
6. The Academy will comply with all accounting policies and requirements of the MAT.
7. The Headteacher will report any breach of Financial Regulations to the Local Governing Board and the MAT Finance Director immediately.
8. No payments should be made through the Academy's financial accounts for any personal or private purchases. Personal items must not be delivered to Academy address or personal use made of any Academy contract.

B. INCOME/BANKING

1. The Local Governing Board is responsible for drawing up a statement of its policy on charging and remissions. This policy should be reviewed annually. The Headteacher in consultation with the relevant Academy staff shall undertake an annual review of all scales of charges which is incorporated into the policy on charging and remissions.
2. The Business Officer shall take action to collect all amounts due to the Academy. Official receipts must be issued, and copies retained in Academy.
3. The Business Officer will raise invoices for lettings in accordance with the Academy Lettings Policy creating invoices on the MAT finance system.
4. The MAT Finance Director shall have the discretion to write off individual bad debts after all recovery options have been exhausted.
5. No sale of goods and services on credit shall be made without the prior approval of the MAT Finance Director.
6. No proposals involving the generation of income should be implemented without prior consultation with the Local Governing Board.

7. The Headteacher is responsible for ensuring the security, collection and banking of income due to the Academy.
8. All income shall be recorded at the point of receipt in a form approved by the MAT Finance Director.
9. Official receipts must be made out for all official income at the time of receiving the income.
10. Under no circumstances shall personal cheques be cashed from any Academy income.
11. The insurance limit for cash kept in a locked cabinet in an alarmed area with the key off site is £500. In an unalarmed area the limit is £250. The limit for the Academy's safe is £1,000 (latest limits can be provided by the Insurance section).
12. All income due to the Academy should be banked promptly and intact and the details entered into the MAT finance system. Two employees will be present to verify all totals which are to be presented to the Bank and this check evidenced.
13. Where a cheque is accepted as payment it should have the individual's name and address on the back. Additionally, the Academy name should be recorded on the back.
14. Where the Academy has arranged for a security firm to collect deposits a receipt should be obtained and retained for the current year plus six previous years.
15. The Security Firm's receipt must be attached to the paying in slip and stored securely.
16. The use of online payment solutions should be controlled within Academies with staff provided with unique user accounts and passwords. Transactions processed by online payments systems should be supported by an audit trail of activities. All payments received from online payment solutions must be paid into the budget.

C. EXPENDITURE AND ORDERS FOR WORK, GOODS AND SERVICES

1. The ordering of goods and services and the payment of accounts shall be in accordance with these financial procedures and advice from the Headteacher.
2. Official orders shall be placed for all goods and services except for such items as recurring charges for public utilities, periodic payments, petty cash purchases and staff expenses. Orders should be raised on the computerised MAT finance system, including the actual price of supply if known, or if not, a best estimate.
3. The following approval limits will apply to all purchases:

Up To £3K	Up to £10K	Up to £50K	Up to £100K	Any Amount
Any budget holder as delegated by the Headteacher	Headteacher	MAT COO, or MAT FD	MAT CEO	Board of Trustees

4. All orders shall be on an official order and be authorised by an appropriate officer within the delegated limits as set out in C.3.
5. No expenditure is to be made without proper authority and provision in the budget estimates.
6. Goods will not be paid for in advance of receipt, unless in urgent and exceptional circumstances. See the list of exempt items C.11 where approval can be sought after goods/services have been received. Where this is the case, an explanation must be attached to the purchase invoice explaining why pre-authorisation of the purchase had not been sought.
7. Where it is necessary to pay for goods and services in advance of receipt, the Headteacher should authorise prior to approval. Wherever possible the Academy's procurement card should be used in these instances. Where necessary consult the MAT Finance Team prior to such payment being made.
8. As soon as the order is placed, the commitment must be recorded and maintained by the Business Officer. Actual spend against the commitment must be monitored to ensure aligned and all commitments should be considered in budgeting and forecasting activities.
9. Expenditure against relevant budgets will be monitored by the Headteacher/ Business Officer in the first instance and by the Local Governing Board in the second instance.
10. Exempt Items List:
 - Reactive maintenance/repairs required on the same day as making the order e.g. swimming pool maintenance to enable use
 - Agency supply
 - Minibus repairs to be on the road and safe
11. Staff expenses, including mileage, must be approved verbally by the relevant budget holder before an employee incurs any cost. Claims must be submitted on an official Esteem expense form and authorised for payment by the Headteacher. Headteacher and MAT COO expense claims must be authorised by the MAT CEO. The MAT CEO or MAT COO must authorise all central team expense claims other than their own. The MAT CEO must have their expense claim authorised by the Chair of Trustees. Email is an acceptable method of approving expense claims as long as evidence of approval is retained. VAT receipts must be provided as evidence of expenditure and attached to claim forms.
12. Petty cash claims must be approved verbally by the relevant budget holder before an employee incurs any cost. Claims must be submitted on an official Esteem petty cash form and authorised for payment by the Headteacher or by an appropriate officer within the delegated limits as set out in C.3. Headteacher petty cash claims must be authorised by the MAT CEO. VAT receipts must be provided as evidence of expenditure and attached to claim forms. An individual petty cash expenditure must not exceed £50.00.
13. For all credit card expenditure, orders must be placed on an official order form and authorised by an appropriate officer within the delegated limits as set out in C.3. prior to the

purchase being made. Each month, an Esteem credit card form must be completed that reconciles to the electronic credit card system with order forms and VAT receipts attached as evidence of approval and expenditure. It is important to recognise that credit cards are means of making payment and normal approval rules apply. Credit card statements must be signed off by the Headteacher or by an appropriate officer within the delegated limits as set out in C.3. Headteacher and MAT COO credit card statements must be signed off by the MAT CEO. The Central Team's credit card statements must be signed off by the MAT CEO or MAT COO. The MAT CEO credit card statements must be signed off by the Chair of Trustees. **All credit card holders must complete and comply with the Credit Card Declaration.**

D. PAYING ACCOUNTS

1. Goods should be received by the Business Officer and be checked against any delivery note and the original orders. When an invoice is received, a check should be made to ensure that:
 - a) The goods which have been supplied or the services rendered are of satisfactory quality and correct quantity.
 - b) The goods and services have not been previously paid for.
 - c) They are in accordance with the contract price or estimate where appropriate.
2. If satisfied that the invoice is correct the Business Officer should mark up the invoice with the correct supplier code and ledger code and email it to payables@esteemmat.co.uk, so the invoice can be processed.
3. Any queries about the invoice should be raised with the firm concerned by the Business Officer. If agreement cannot be reached, the matter should be referred to the Headteacher who should consult with the MAT Finance Team.
4. The person authorising an invoice for payment is confirming that:
 - a) The goods and services to which the invoice relates have been received or carried out satisfactorily.
 - b) The prices, calculations, discounts, credits and VAT are correct.
 - c) The expenditure has been properly incurred and is within the relevant estimated provision.
5. A list of those staff approved by the Local Governing Board to approve orders/invoices for payment will be maintained and retained in the Academy office, subject to the MAT delegated financial limits.
6. All users of the MAT finance system must comply with current data protection legislation and the Computer Misuse Act 1990. User account details should not be written down or shared with other Academy staff.

E. BANK ACCOUNTS

The opening or closing of any MAT bank account must be approved by the Board of Trustees.

All cheques, BACS payments and other instruments authorising withdrawal from the MAT bank accounts must bear the signatures or electronic approvals of two of the following authorised signatories:

- MAT CEO or COO
- MAT Finance Director, Director of Education or Governance Officer

When approving the release of funds from a MAT bank account, MAT approvers must be confident that the appropriate checks and approvals have been completed by the Academy (e.g. invoice amount and value is correct and goods received) and the MAT Finance Team (e.g. bank details check). MAT approvers to complete random checks on higher value payments.

F. SALARIES, WAGES AND PENSIONS

1. The payment of salaries, wages and other emoluments from the delegated Academy's budget shall be made by the MAT's in-house payroll function.
2. The MAT's payroll function shall be responsible for the deduction of all pension contributions, taxes, trade union subscriptions and other items from employees' salary payments and the MAT will arrange for the paying over of such deductions to the relevant bodies.
3. The Headteacher will authorise all salary documents relating to appointments, addendums, resignations, additional supply or payments and absence. Documents relating to MAT Central team staff will be authorised by the Trust COO, Executive team by the Trust CEO and the Trust CEO by the Chair of the Trust Board.
4. All salaries, wages and other taxable allowances must be paid centrally by direct BACS transfer. Payments by cash will not be made.
5. All new appointments should be made within a specific budget provision as agreed by the MAT Finance Director.
6. The Headteacher shall ensure that all necessary DBS and right to work checks are carried out and an academy single central record is maintained.
7. Timesheets or claim forms submitted as the basis for work done should be completed and signed by the member of staff who must evidence the satisfactory completion of the work/journeys or receipts for which payments are claimed.
8. All staff absences and temporary variations should be recorded monthly.
9. In line with the MAT's monthly payroll procedures and deadlines, and to avoid significant under or overpayments, the Headteacher/ Business Officer shall reconcile that monthly pay is being processed and paid correctly using a tool provided by the MAT's HR team or a process/tool that has been approved by the MAT's HR team.
10. The MAT payroll will be checked and approved by two of the following: the MAT Finance Director, COO, CEO and Governance Lead. Controls and checks should be in place to ensure

associated risks are managed and the right assurances are sought before approval. Checks would include but are not limited to:

- a) Employees who have left the organisation are no longer being paid
- b) New starters have the appropriate documentation approving employment
- c) Changes to bank details are supported by the appropriate paperwork. This would include both employee and other third party bank details
- d) Payments loaded to the Trust banking software match the amounts appearing on the payroll reports for that period
- e) Confirming checks under point 9. have been completed and any issues identified resolved
- f) Any exceptional or non-routine payments are checked to ensure calculations have been performed in-line with statutory regulations and Esteem policy, and that they have been approved appropriately e.g., redundancy payments

11. Approval of adjustments, non-routine payments and exceptional costs should be approved as per delegated limits in section C point 3 of this policy.

12. Payroll payments should be made in accordance with section E of this policy.

G. CONTRACTS (see definition of a contract below)

1. All contracts shall:

- a) specify the subject matter, price, contract period, contract specification and terms of payment
 - b) contain a clause permitting cancellation in circumstances of corruption or failure to meet contractual terms.
 - c) require access to the supplier's records under this contract for Internal Audit.
 - d) require compliance with any British Standard specification or code.
 - e) indemnify the Academy against any claim which may be made in respect of personal injury to any person unless due to negligence by the Academy and against any claim for damage to property due to negligence of the contractor, and the contractor shall produce evidence of suitable insurance against such claims.
 - f) In the event that the contract relates to **the processing of Academy data, including personal data (as defined under the General Data Protection Regulation (GDPR) and the Data Protection Act 2018 "the Act"), specifically reference and require compliance with the Act.**
2. The MAT Finance Director must be notified in advance of any proposed leasing arrangements or any other arrangements to delay or defer payment for goods or services. Any scheme, however described, which effectively spreads the cost of payments across financial years, is likely to fall into this category. Such arrangements may only be entered into only after obtaining written approval from the MAT Finance Director.
3. Disposal of any leased and financed assets is subject to the prior approval of the MAT Finance Director.

4. Any form of agreement intended to defer payment, provide for payment by instalments or requires a continuing financial commitment in future years must be subject to the prior approval of the MAT Finance Director.
5. Local Governors have a statutory responsibility not to take part in the decision-making process relating to any contract or agreement in which they, or immediate family members have a business or pecuniary interest. The Headteacher, in consultation with the Clerk to Governors is responsible for maintaining a register of business and pecuniary interests in respect of all Local Governors and staff who may be in a position to influence financial decisions.

Definition of a Contract

For the purpose of these procedures, the definition of a contract shall be any signed agreement (other than routine orders) for the provision of goods and/or services over a period of time. The

Any contracts shall be in writing and shall be referred to the Finance Committee before any binding agreement is made.

1. *All contracts shall:*
 - a) *specify the subject matter, price, contract period, contract specification and terms of payment*
 - b) *contain a clause permitting cancellation in circumstances of corruption or failure to meet contractual terms.*
 - c) *require access to the supplier's records under this contract for Internal Audit.*
 - d) *require compliance with any British Standard specification or code.*
 - e) *Indemnify the Academy against any claim which may be made in respect of personal injury to any person unless due to negligence by the Academy and against any claim for damage to property due to negligence of the contractor, and the contractor shall produce evidence of suitable insurance against such claims.*
2. *In the event that the contract relates to Academy data require compliance with current data protection legislation and other industry standards.*
3. *With any proposed contract, quotations shall be obtained from at least three suppliers. Under normal circumstances the Academy will award the contract to the supplier quoting the lowest price or the Most Economically Advantageous Tender (MEAT). However, there may be times when the lowest price should not be accepted, and any reasons for accepting a higher quote must be reported to the Finance Committee and be recorded in detail.*
4. *All contracts shall be subject to the ordering limits as specified in Section C of these Financial Regulations and Procedures, and the MAT delegated financial limits.*
 - a) *Where a third party has been engaged to process the Academy's personal data, a written contract must be in place between the Academy and data processor in accordance with current data protection legislation.*

H. INCOME AND EXPENDITURE BUDGETS

1. Estimates of income and expenditure will be prepared for the forthcoming financial year, jointly by the Headteacher and the Business Officer, with the advice and support of the MAT Finance Team.
2. The format of the budget will be consistent with the needs of management information for financial control purposes, and the format of the annual accounts as prescribed by the MAT Finance Team.
3. The estimated out-turn figures relating to the current financial year should also be included with the new financial year budget estimates.
4. An annual budget timetable will be set by the Headteacher and the Business Officer and agreed by the Local Governing Board. The timetable must comply with the MAT deadlines.

5. The Local Governing Board will formally acknowledge they have considered the expenditure and income budgets for the financial year. A deficit budget is not acceptable unless it complies with the MAT Reserves Policy.
6. The Headteacher will be responsible for the delegation of the authorised budget, and it is his/her responsibility to ensure that budget heads are not substantially overspent or under spent, considering the overall budget position.
7. Regular budget monitoring reports will be provided by the MAT Finance Team. Where it appears that an approved expenditure budget may be exceeded, or income target not realised, such information will be conveyed by the Headteacher to the Local Governing Board/Finance Committee at the earliest opportunity. Recommendations by the Headteacher will be made to the MAT Finance Team and the Local Governing Board in regular reports as to remedial action to be taken where appropriate.
8. No expenditure which requires a continuing financial commitment in future years may be incurred without the approval of the MAT Finance Director and Local Governing Board.

I. CAPITAL EXPENDITURE

1. Capital expenditure of £10,000 or over requires MAT Finance and Audit Committee approval via the MAT Capital Panel process, including where wishing to allocate Devolved Formula Capital grants to fund the expenditure.
2. Plans for capital expenditure of £10,000 and over must be incorporated into an academy capital plan and provided to the MAT COO, to be included into the MAT capital plan for review, prioritisation and approval by the Capital Panel.
3. The Local Governing Board will be responsible for drawing up expenditure plans for Devolved Formula Capital, considering the three-year spending deadline.
4. The Local Governing Board will delegate responsibility to the Headteacher to spend up to £10,000 from Devolved Formula Capital (i.e. the same spending limit for orders of goods), before approval is sought from the Local Governing Board.

J. INTERNAL AUDIT

1. The MAT appointed internal auditors shall have unrestricted access to all records, personnel and physical properties of the Academy necessary for the purposes of audit work however and wherever these are held. The MAT appointed internal auditors shall be entitled to require from any employee of the Academy such information and explanation as may be necessary for that purpose.
2. Officers of the MAT appointed internal auditors are authorised to appraise the adequacy of controls and procedures employed by the Academy to secure economy, effectiveness and efficiency in the use of resources.
3. It is the responsibility of all staff in cases of suspected fraud, misappropriation of funds, materials or equipment, or any other irregularities, to comply with the Academy's 'Whistle-

Blowing Policy/Confidential Reporting Code or otherwise and report immediately to the Headteacher and the MAT Finance Director.

4. The Headteacher must consult the MAT Finance Director who must review any proposed changes to existing financial, control and IT systems for the maintenance of financial records, pupil recording systems, inventory or processing of personal data held by the Academy, or the implementation of new systems. No changes may be actioned without formal approval by the MAT Finance Director.

K. STORES AND INVENTORIES

1. The Business Officer shall be responsible for the safe custody of stores and inventory items, and the maintenance of records in accordance with advice issued by the Headteacher.
2. The Headteacher shall be responsible for ensuring that an evidenced, independent check of inventory items is carried out at least once a year.
3. The Headteacher shall be responsible for ensuring that an evidenced, independent stock take of stores is carried out at least once a year.
4. The disposal of all plant, machinery and equipment shall be the responsibility of the Headteacher under the guidance of the Local Governing Board.
5. The MAT will maintain a Fixed Asset Register of items across all academies above the value of £5,000, in accordance with the MAT Capitalisation Policy. The Headteacher will ensure that the MAT has the up to date information to carry out an annual review of the Fixed Asset Register, including any disposals.

L. INSURANCE

1. The MAT is responsible for arranging insurance.
2. All staff shall notify the Business Officer /Headteacher immediately of any loss, liability or damage which may lead to a claim.

M. PROPERTY AND ASSETS

1. All Academy staff shall be responsible for ensuring the proper physical and logical security of all buildings and other assets under their control.
2. No Academy assets shall be subject to personal use by staff or students without proper authority from the Headteacher. The Academy should keep an up to date register of all assets used outside of the Academy by Academy staff.

3. The Headteacher is responsible for ensuring that suitable arrangements are made for the safe custody of keys to buildings, safes and similar receptacles.
4. To maintain the security of information away from the Academy, all mobile devices including laptops and USB devices should be encrypted to prevent unauthorised access to the Academy's data in line with current data protection legislation.

N. VAT

1. The Headteacher shall be responsible for ensuring that the Academy conforms to VAT procedures as/when issued by the MAT (failure to comply could lead to HM Revenue and Customs claims against the Academy's budget).
2. If necessary, the MAT Finance Team shall have right of access to all records appertaining to VAT. The MAT Finance Team will also, from time to time be required to visit the Academy to confirm that VAT procedures are being adhered to.
3. HM Revenue & Customs inspectors visit the MAT to carry out inspections. They will include Academies within their inspection and are legally entitled to inspect Academy's' records.
4. VAT is a complex area and where in doubt, staff should seek guidance from the MAT Finance Team.

O. TENDERING AND QUOTATIONS

Academies are required to operate a formal tendering process as detailed in this procedure document, where the contract value is greater than £50,000. This is above the value that can be approved at an academy level, so tendering will only apply once Chief Executive Officer\Chief Operating Officer\Board of Trustees approval has been obtained.

1. Where the estimated value or amount of a proposed contract exceeds £50,000, tenders shall be invited either by selective or open tendering. Tenders may be invited for items less than the tendering threshold at the request of the Finance Committee. **The Academy must seek advice and support from the MAT if it is thinking of undertaking a tendering process.**

Open tendering: tenders shall be invited by giving at least ten days' public notice. The notice shall express the nature of the contract or where appropriate as required by EU Procurement Law.

2. Where the value of a contract exceeds £50K, a tendering process should take place which will be co-ordinated by the MAT. Other options available to demonstrate value for money will include obtaining 3+ quotes, desktop evaluation or any other mechanism agreed by the Board of Trustees in granting their approval for the specific order. Evidence of value for money considerations must be provided for all purchases regardless of the method used.
3. Single purchases for supplies, services and design worth over £189,330 (Official Journal of The European Union threshold from 01/01/2020) may fall under EU procurement rules which must be advertised in the Official Journal of the European Union.

4. Where the estimated value of a proposed contract does not exceed the tendering threshold of £50,000 but does exceed £10,000 three written quotations must be sought. If it is difficult to obtain 3 quotes for a purchase, an Esteem No Quotes form (see Appendix 1) should be completed and approved by the MAT COO or CEO before the purchase takes place.
5. There are a number of items where the nature and timing of the spend make it difficult to follow value for money processes. Any item on the list of exempted items C.11 does not require value for money procedures to be adhered to however value for money should always be considered when entering into these contracts.
6. For the avoidance of doubt, these thresholds apply to the value of a total contract and not the annual cost. For example, a 3-year contract costing £20K annually would need to follow formal tendering procedures. $3 * £20K = £60K$ which is over the £50K tendering threshold.
7. An invitation to tender shall state clearly
 - a) Esteem MAT does not bind itself to accept the lowest or any tender.
 - b) The closing date/time for the tender documentation to be received
 - c) To whom the tender documentation should be returned and confirmation of their relevant details - if an email address is provided an electronic copy of the tender documentation is deemed acceptable and if a postal address is provided a hard copy of the tender documentation is deemed acceptable.
 - d) Any relevant instructions/information relevant for the tender
 - e) Specifications of requirements
 - f) Any required declarations to be provided by the tenderer
8. No tender received after the closing date and time shall be considered.
9. A minimum of three references must be requested.
10. A paper trail of the tender must be maintained for three years, including invitation to tenders, tender documentation returned, documentation of decision and approval.

Acceptance of Tenders

1. A report shall be put to the Board of Trustees if a tender other than the lowest, or payment to be received other than the highest are to be accepted clearly identifying the reason(s) for acceptance.
2. A list of tenders received identifying the tender accepted shall be reported to the Local Governing Board.

Alteration of Tenders

Once received, tenders shall not be altered except that a tenderer may be given an opportunity to correct an error in calculation. When such an opportunity is given the tenderer shall be given no information about others tenders or the likelihood of his tender being accepted.

P. HOSPITALITY AND GIFTS

1. Hospitality may only be accepted up to the value of £50 and where there are no attached conditions. The acceptance of hospitality must not create a conflict of interest or cause embarrassment to the Academy.
2. Where hospitality is offered, it shall be reported to the Headteacher regardless of whether it is accepted. If hospitality is offered to the Headteacher this should be reported to the Chair of Local Governors and the MAT Finance Director.
3. Gifts of a nominal value, up to the value of £50, with no attached conditions, such as calendars, diaries etc. may be accepted if they are retained within the Academy. Gifts worth more than £50 must not be accepted.
4. Gifts of more than a nominal value offered to employees by contractors, organisations, firms or individuals should always be declined and must be reported to the Headteacher.
5. In no circumstances should a monetary gift be accepted, and such offers must be reported to the Headteacher.
6. All **offers** of gifts and hospitality should be recorded in a gifts and hospitality register and period review of the entries made in the register undertaken by the Local Governing Board with evidence of the review maintained.
7. Public funding should not be used for purchasing gifts for Esteem MAT employees (including full-time, part-time, relief and fixed-term), agency staff contractors or others employed on a contract of service. Gifts for such individuals should be funded from voluntary contributions from Esteem MAT employees. This excludes long service awards.
8. Public funding should not be used for purchasing gifts for Esteem MAT Members, Trustees or Governors. Gifts for such individuals should be funded from voluntary contributions from Esteem MAT employees.

Q. RETENTION OF RECORDS

1. All financial records should be retained for six years, plus the current year, the authority of the MAT Finance Director must be sought before any records are destroyed.
2. Disposal of confidential information and records should be done in a secure manner in compliance with current data protection legislation.

R. INTERNAL FINANCIAL REPORTING

1. Internal Financial reporting includes:
 - a) Monthly management accounts
 - b) Financial Reporting to Trustees and Members (including sub committees)
 - c) Financial Reporting to Local Governing Boards

2. Reporting of Five-Year Plans, that include a Forecast to the end of the current financial year and the following financial year's Budget, is excluded from this document as a separate procedural document is prepared each year detailing timelines and responsibilities.
3. Monthly Management Accounts
 - a) The MAT Finance Director is responsible for the overall financial month end process.
 - b) The month end process starts on the first working day of the following month (e.g. September's month end process starts on the first working day of October).
 - c) The MAT Central Finance Team will provide academies with their Finance Month End Workbook in advance of the start of the month end process.
 - d) The Business Officer is responsible for ensuring all possible invoices are loaded onto the MAT finance system and obtaining approvals in accordance with section C3 in advance of the month end process.
 - e) The Business Officer is responsible for fully completing the Finance Month End Workbook, including providing all necessary supporting documentation and updating the summary, within the centrally set timeline for that month-end. The workbook content will change as new requirements are identified. The MAT Central Finance Team will highlight all changes as they occur and will provide any training required on the workbook. This document is critical for the accurate preparation of the monthly management accounts.
 - f) The MAT Central Finance Team will prepare the monthly management accounts for all academies using the MAT finance system and the Finance Month End Workbooks, this includes:
 - a. Processing of petty cash, credit cards, fuel cards, and bank transactions in the MAT finance system
 - b. Balance sheet reconciliations – including Bank and Petty Cash
 - c. Calculation and processing of:
 - i. deferred income
 - ii. accrued income
 - iii. prepayments
 - iv. creditor accruals
 - v. write-offs
 - d. Review and sharing of older items with academies for follow up of:
 - i. debtors
 - ii. creditors
 - e. Updating of loan balances with project completions and repayments
 - f. Ensuring control account balances are understood and how clearance will occur
 - g. Preparation and submission of VAT return
 - h. Preparation of management accounts with commentary for significant variance to budget
 - g) The MAT Finance Director reviews all balance sheet reconciliations and management accounts and any changes are processed by the MAT Central Finance Team
 - h) Academy management accounts, including commentary and a Local Governing Board report that feeds from the management accounts, are emailed out to all Headteachers and Business Officers. Central Team management accounts, including commentary, are emailed to the COO.
4. Financial Reporting to Trustees and Members (including sub committees)

- a) The MAT Finance Director is responsible for all financial reporting to Trustees and Members.
- b) The MAT Central Finance Team prepare the monthly Finance Pack after the monthly management accounts are complete. The pack includes a consolidated view of the management accounts, academy detail, a balance sheet and a cashflow forecast. The pack should comply with the monthly reporting requirements identified in the Academy Financial Handbook and Accounts Direction.
- c) The MAT Finance Director reviews the pack and shares with Trustees and Members as appropriate. The Chair of Trustees receives a monthly email from the MAT Finance Director with the pack and a summary of key points. Other Trustees and Members receive the latest pack and a verbal update in line with Trust Board and Member meetings.

5. Financial Reporting to Local Governing Boards

- a) The Headteacher is responsible for all regular financial reporting to their Local Governing Boards.
- b) The Business Officer is responsible for updating any commentary on the latest month's Local Governing Board report provided by the MAT Central Finance Team prior to any Local Governing Board.
- c) The latest month's Local Governing Board report provided by the MAT Central Finance Team must be shared with the Local Governing Board prior to, or during, any Local Governing Board meetings to ensure they are receiving consistent information as the Headteacher, the MAT Central Team, Trustees and Members.
- d) The Headteacher has autonomy to provide additional bespoke academy financial reports to supplement the latest month's Local Governing Board report provided by the MAT Central Finance Team. It is the Business Officer's responsibility to prepare any such documents and to ensure they reconcile with latest month's Local Governing Board report provided by the MAT Central Finance Team.
- e) Exceptional ad-hoc financial reporting relating to restructures or centrally managed estates projects are the responsibility of the MAT's Central Team as appropriate, e.g. MAT HR Manager is responsible for restructuring documents and MAT COO is responsible for estates documents. The MAT Finance Director will support preparation of these documents.

S. EXTENDED SERVICES CODES

If an Academy decides to provide extended or 'wraparound' services these need to be formally agreed and approved in advance by the Local Governing Board. In addition, a nominated officer should be appointed within the Academy to manage and coordinate the additional services and ensure that the Local Governing Board is provided with regular budget monitoring information on the financial position of the services being provided.

To enable the Local Governing Board to make informed decisions on the effectiveness of any extended or 'wraparound' services provided by the Academy, an initial projection of income and expenditure plan must be prepared. The plan should include details of all potential 'losses' to the Academy so that the Local Governing Board can approve the funding that will be required from the 'mainstream' Academy budget to support such services. Where the initial funding from the 'mainstream' budget is not sufficient, approval of the Local Governing Board must be obtained for any additional shortfall in advance.

Costs and income for extended or 'wraparound' services including childcare for Out of Hours and Breakfast clubs etc. wherever possible should be recorded using the extended services ledger codes. (Please contact the MAT if you require these codes). It is important that on-going monitoring of income and expenditure of such activities is undertaken so that the Local Governing Board is fully apprised on the impact of the additional provision on the Academy's budget. The financial information relating to extended or 'wraparound' services including any identified losses should be reported on a regular basis with the agreed actions and approvals formally recorded within the Local Governing Board minutes.



Unobtainable Quotes - Evidence Form

For any orders over **£3,000 up to £9,999.99** where at least three quotes are unobtainable, this form needs to be completed and signed by the Business Manager and the Headteacher

For any orders over **£10,000 up to £49,999.99** where at least three quotes are unobtainable, this form needs to be completed and signed off by the Headteacher and Chief Operating Officer of the MAT

School	
Item(s) to be ordered	
Quantity	
Price	£
Total	£
Reason three quotes cannot be obtained	

First Authorisation: _____

Date: _____

Second Authorisation: _____

Date: _____