



Financial Policies and Procedures 2023/24

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2023-24	Section 3 – Accounting Officer responsibilities re estates made more explicit (external audit recommendation) Section 10 – Investments section updated Section 11 – Reserves policy and strategy for 23-24 added Section 27 – delegated authorities updated to reflect Scheme of Delegation	September 2023

Effective from 1 September 2023

1. INTRODUCTION

The purpose of this manual is to ensure that Nene Education Trust maintains and develops systems of financial control which conform to the requirements both of propriety and of good financial management. It is essential that these systems operate properly to meet the requirements of our funding agreement with the Department of Education (DfE) / Education and Skills Funding Agency (ESFA).

The duties and obligations of the Academy Trust are set out in The Academy Trust Handbook 2023

<https://www.gov.uk/guidance/academy-trust-handbook/academy-trust-handbook-2023>

The handbook, together with the funding agreement describes the financial relationship between the ESFA and the academy Trust. The handbook covers all the requirements under the financial accountability system for the academy Trust.

Nene Education Trust's Financial Policies and Procedures manual expands on ESFA guidance and provides detailed information on the Academy's accounting procedures and systems.

2. ORGANISATION

Nene Education Trust (NET) is a Multi Academy Trust currently comprising eight schools: Manor School Sports College, Stanwick Primary School, St Peters Church of England Academy, Newton Road School, Windmill Primary School, Woodford Church of England Primary School, Raunds Park Infants and Redwell Primary School, Wellingborough. It has in place a simple and unified management structure to ensure efficiency. The structure consists of four levels:

- Trust Board
- Local Committees
- Principals and Senior Leadership Team
- The Middle Leadership Team

The Trust Board channels specific business through sub-committees, including the Audit & Risk Committee and the Finance Committee (see items 3 and 4).

The aim of the management structure is to devolve responsibility, encourage involvement in decision-making at all levels and maximise opportunities for succession planning.

The Members and Trustees fulfil a largely strategic role.

They adopt the NET Strategic Plan, approve the 3-year Financial Plan/Annual Budget, monitor the Trust's performance and, make decisions about the strategic direction of NET including capital expenditure and senior staff appointments. For greater clarity about each of these roles refer to the Scheme of Delegation and the Trust Governance Handbook.

Members

As a charitable company limited by guarantee the Trust has Members who have a similar role to the shareholders of a company limited by shares. They:

- are the subscribers to the Trust's memorandum of association (where they are founding Members);
- may amend the articles of association, subject to any restrictions in the articles, the funding agreement or charity law;
- may, in certain circumstances, appoint new members or remove existing members;

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- have powers to appoint and remove trustees in certain circumstances;
- may, by special resolution, issue direction to the trustees to take a specific action;
- are kept informed about trust business so they can be assured that the board is exercising effective governance
- appoint the Trust's auditors and receive the Trust's audited annual accounts (subject to the Companies Act);
- have power to change the name of the company and, ultimately, wind up the academy trust.

The DfE's minimum requirement before entering into a funding agreement is that academy Trusts have at least three Members, although the recommendation is for Trusts to have at least five Members wherever possible. Employees of the Trust must not be appointed as Members, nor occupy staff establishment roles on an unpaid voluntary basis.

Trustees

The Board of Trustees has wide responsibilities defined under statute, regulations and the FA. These are set out in the role of the Trust and its governance arrangements. These include:

- Agreeing the long-term financial objectives of the Trust;
- Being familiar with the contents of the Academy Trust Handbook 2023 to a sufficient degree to ensure full compliance.
- Ensuring that Grants from the DfE are used only for the purposes intended;
- Delegating each Academy's budget to the Finance Committee for scrutiny;
- Delegating day-to-day financial management of the trust to the Chief Executive Officer (CEO);
- Approval of the annual budgets and any material changes;
- Receiving reports on the expenditure against budget;
- Making decisions on actual financial requests from committees;
- Consider options for internal scrutiny.
- Retender for external auditor contract at least every 5 years, whilst taking into consideration the duties of the audit and risk committee;
- Reviewing the reports of auditors;
- Authorising contracts according to approved limits;
- Approval of the annual accounts;
- Submit to the ESFA its annual summary report in line with their requirements
- Designating in writing its Accounting Officer, being the chief executive or executive principal of the Trust in line with the Academies Financial Handbook;
- Appointment of the Chief Executive Officer in line with the Academies Financial Handbook;
- Notifying the Regional Director (RD) when the Chief Executive Officer is planning on leaving the Trust, approach to the RSC in advance to discuss the structure, options and plans for recruitment, in line with Academies Financial Handbook;
- Agreeing the membership of the Local Advisory Board, Finance and Audit committee annually including the chairperson;
- Reviewing annually the Trust risk register
- Oversight and to receive reports regarding the actions and mitigations against cyber attacks
- Reviewing annually the Finance Policy and Scheme of Delegation, or if there is a change in management or organisational structure;
- Reviewing annually the terms of reference of the Finance and Audit and Risk Committees.
- Approval of any companies, subsidiaries or joint ventures;
- Ensuring regularity and propriety in the use of the Trust's funds, ensuring economy, efficiency and effectiveness – the 3 elements of Value for Money.
- Considers on an annual basis an independent external review of the effectiveness of the Trust Board and its relationship with Members.

The Academy Trust Handbook 2023 clarifies that the Trust must not have de facto trustees (as defined in appendix 1 of the Charities SORP2015) or shadow directors (as defined in section 251(1) of the Companies Act 2006). The Handbook also highlights that trustees must apply the highest standards of governance, take full ownership of their duties and they must comply with the Trust's charitable objects, with company and charity law and with their funding agreement.

Please refer to the Scheme of Delegation for the delegations made by the Trust Board, in particular to the Finance and Resources Committee and the Audit and Risk Committee whose terms of reference are set out in that document.

3. CHIEF EXECUTIVE OFFICER'S RESPONSIBILITIES (THE ACCOUNTING OFFICER)

The CEO is the Accounting Officer with responsibility for the propriety and regularity of the public finances for which they are answerable. The responsibilities are outlined in the Academy Trust Handbook 2023 and include:

- A senior executive leader which must be a fit and suitable person for the role and already employed by the Trust
- The roles of senior executive leader and accounting officer must not rotate.
- Prior approval must be sought from the ESFA if the Trust is proposing, in exceptional circumstances, to appoint an accounting officer who will not be an employee.
- Personal responsibility to Parliament and ESFA's accounting officer for the financial resources under the Trust's control;
- Assurance to Parliament and the public of high standards of probity in the management of public funds;
- Adherence to the seven principles of public life;
- Oversight of financial transactions, ensuring: (i) that the Trust's property and assets are under Trustees' control, (ii) measures exist to prevent losses or misuse, (iii) bank accounts, financial systems and financial records are operated by more than one person, (iv) full and accurate accounting records are kept to support the annual accounts.
- Completing and signing a statement of regularity, propriety and compliance for submission to the ESFA;
- Compliance with other responsibilities outlined in the Academies Financial Handbook.
- Ensuring value for money, in particular, to ensure effective use of relevant funding to ensure the trust's estate is safe, well-maintained, and complies with regulations.

More detailed guidance on the role of the Accounting Officer is set out in chapter 3 of HM Treasury's Managing Public Money.

4. THE CHIEF FINANCE OFFICER

The board must appoint a chief finance officer (CFO), who is (and whose job title may instead be) the trust's finance director, business manager or Chief Operating Officer or equivalent, to whom responsibility for the trust's detailed financial procedures is delegated. The CFO should play both a technical and leadership role. The CFO should be employed by the trust, and the trust must obtain prior ESFA approval if it is proposing, in exceptional circumstances, to appoint a CFO who will not be an employee.

The CFO and their finance staff must be appropriately qualified and/or experienced. Trusts must assess whether the CFO, and others holding key financial posts, should have a business or accountancy qualification and hold membership of a relevant professional body, dependent on the risk, scale and complexity of financial operations, CFOs should maintain continuing professional development and undertake relevant ongoing training

The CFO and will work closely with the Chief Executive Officer. The CFO also has direct access to the Members and Trustees via the Audit and Risk Committee, Finance Committee and the Board of Trustees.

The main responsibilities of the Chief Finance Officer are:

- The management of the Academies' financial positions at a strategic and operational level
- The maintenance of effective systems of financial control;
- Submitting grant applications, reports and returns to the DfE, ESFA, the Teacher's Pension Agency and HMRC;
- Ensuring that annual accounts are properly presented and adequately supported
- Overseeing the preparation of monthly consolidated management accounts;
- Virement decisions within agreed budgets, within Committees delegated powers;
- Authorising orders, payments and the award of contracts within agreed limits.
- Reviewing and signing off all bank reconciliations on a monthly basis
- Monitoring the monthly budget reports and acting on overspends or risk, escalating to the CEO/Accounting Officer as appropriate.
- Review of the VAT return prepared by the Trust Finance Manager.
- Ensuring all transactions are in accordance with the Academy Trust Handbook 2023 seeking authority for items from the ESFA where appropriate.
- Production of monthly Management Accounts for review by the Finance Committee in accordance with the guidance provided in the Academies Financial Handbook.
- Completion and submission of the School resource management self-assessment tool, checklist to ESFA annually.

5. CONFLICT OF INTEREST

It is important for anyone involved in spending public money to demonstrate that they do not benefit personally from the decisions they make. To avoid any misunderstanding that might arise all Members, Trustees, LCs and staff with significant financial or spending powers are required to declare any financial or pecuniary interests they, or their 'close family members' as defined by the Academy Trust Handbook, have in companies or individuals irrespective of whether the Trust may buy or sell goods or services with them. The register is available on the Trust website. Where potential conflicts are declared, there should be a clear process for considering the declaration and recording whether any action needs to be taken to manage the conflict. In most instances this may just involve the Academy Principal. However, where more sensitive or significant issues arise the declaration may need to be considered by the Trust's Finance Committee.

The requirements of the Academy Trust Handbook 2023 with respect to transactions with connected parties must be adhered to.

It is important that the Trustees, LC Members and staff not only act impartially, but are also seen to act impartially. The Trustees, Local Committees and Academy staff have a responsibility to avoid any conflict between their business and personal interests and affairs and those of the trust and academies. There is a legal duty on all LC Members to declare an interest likely to lead to questions of bias when considering any item of business at a meeting and for the LC Member concerned to withdraw whilst the matter is considered.

6. GIFTS & HOSPITALITY POLICY

Please see the separate Gifts and Hospitality policy that was adopted by the Trust Board in February 2023.

7. REGISTER OF BUSINESS INTERESTS

Members, Trust Board & Local committees

To help put this duty into practice, the Trust Board and Committees are required to establish and maintain a register indicating individuals' business/pecuniary interests. This should include, where applicable, the company by whom they are employed, directorships, significant shareholdings or other appointments of influence within a business or other organisation which may have dealings with the Academy.

The register includes an entry for all of the Trust Members, Trustees, LC Members and senior executive staff.

- Individuals should include their own interest and those of any member of their immediate family (including partners) or other individuals known to them who may exert influence.
- The Academy Trust Handbook 2023 clarifies "The register must also identify any material interests arising from close family relationships between the academy trust's members or trustees, and relationships between members of the trustees and employees. These relationships include, but are not limited to, a child, partner, spouse or civil partner"
- The register sheet must be signed and dated by the individual.
- The Clerk should ensure that the register is up to date and complete. Dated nil returns are also required.
- The forms must be renewed annually.
- Individuals must be made aware of the requirement to inform the Trust immediately should any relevant details change between annual form updates.
- The completed register will be kept up to date by the Trust Governance Manager, retained on file (electronic) and made available on request as per the ATH requirement.

The register enables the Trust to demonstrate that in spending public money individuals do not benefit personally from decisions that they make.

Guidance is provided with the forms for the various categories of staff/members to complete.

The Academy Trust Handbook 2023 clarifies that in the interest of transparency, an academy trust must publish on its website up-to-date details of governance arrangements in a readily accessible format as well as certain details from the register of interests.

Appointment of the Governance Professional to the Trust Board

The academy trust must appoint a Governance Professional to support the board of trustees who is someone other than a trustee, principal or chief executive of the trust. A Governance Professional can help the efficient functioning of the board by providing:

- guidance to ensure the board works in compliance with the appropriate legal and regulatory framework, and understands the potential consequences of non-compliance
- advice on procedural matters relating to operation of the board
- administrative and organisational support.

Other staff with financial responsibility

It is also a requirement for all individuals in a position to influence financial decisions within the Trust and academies, to complete a form declaring any business/pecuniary interests. These forms should be

countersigned by the CEO and the Principal to indicate that he/she has noted any declarations. Where a staff member is also a LC Member, Associate Member of the LC or is Clerk to the Governing Body, their form should be countersigned by the Chair of the Local Committee who should bring any declared interests to the attention of the Principal.

Opportunity to declare interests at meetings

There is a standing agenda item at every meeting (including committee meetings) called “Declaration of Interests” to allow the Trust and LC Members the opportunity to declare ANY interests relating to items on the agenda.

In any instances of doubt, the prudent approach would be to make a declaration.

8. BUSINESS INTEGRITY

All Members, Trustees, Chief Executive Officer, LC Members and staff with significant spending powers must declare any direct or indirect pecuniary interests at all times and should enter any on-going interests that may raise a conflict of loyalty in a Declaration of Interest which is maintained on the Academy website. This Declaration should be regularly drawn to Members attention at least once a year and amended as needed.

The Declaration of Interest should include all business interests such as directorships, shareholdings, trusteeships and LC Memberships at other educational institutions or charities or other appointments of influence within a business or organisation which may have dealings with the Trust. The disclosures should also include material interests arising from close family relationships between academy Trusts’ Members or Trustees, and relationships between Members or Trustees and employees.

Where an interest has been declared, Members/Trustees/LC Members and staff should not attend that part of any committee or other meeting.

As Nene Education Trust is a company limited by guarantee and an exempt charity, the Members as named in the Memorandum of Association are the legal Trustees of the charity. This confers certain obligations upon the Trustees to protect the assets, property and good name of the charity. The legal requirements of Trustees are set out below.

Members/Trustees have full responsibility for the charity and must:

- act together and in person and not delegate control of the charity to others;
- act strictly in accordance with the Trust’s governing documents;
- act in the Trust’s interest only and without regard to their own private interests;
- manage the Trust’s affairs prudently throughout the life of the Trust
- not derive any personal benefit or gain from the Trust of which they are Trustees; and
- take proper professional advice on matters on which they are not themselves competent;
- adhere to “the seven principles of public life”.

The Trustees have statutory duties as company directors as set out in the Companies Act 2006. These comprise the duties to:

- act within their powers;
- promote the success of the company;
- exercise independent judgement;
- exercise reasonable care, skill and diligence;
- avoid conflicts of interest;
- not to accept benefits from third parties;
- declare interest in proposed transactions or arrangements.

The Trust Board has overall responsibility for the administration of the Trust's finances. The main responsibilities of NET Members /Trustees/LC Members are prescribed both in the Funding Agreement between NET and the DfE and in the Academy Trust Handbook 2023. The main responsibilities include:

- ensuring that grant from the DfE is used only for the purposes intended;
- approval of the annual budget and annual accounts
- appointment of the Chief Executive Officer
- appointment of the Chief Finance Officer, in conjunction with the Chief Executive Officer
- appointment of Principals and Vice Principals.

9. FINANCIAL PLANNING AND MONITORING

The Trust prepares and monitors budgets and financial plans to ensure ongoing financial health, in accordance with the ATH.

Notable procedures outlined in the Handbook include:

- The Board of Trustees must approve a balanced budget for financial years ending 31st. August;
- The Trust must submit both a Budget Forecast Return Outturn and a 3-year Budget Forecast Return by specified deadlines each year. These must be approved by Trustees;
- Budget forecasts must be compiled accurately and be based upon realistic assumptions;
- The Trust must prepare management accounts each month setting out financial performance and position and including variance reports and cash flow forecasts;
- Management accounts must be shared with the Chair of Trustees every month and with other Trustees six times a year to consider and ensure that appropriate action is being taken to maintain financial viability.
- The Trust Board to challenge pupil number estimates as these underpin revenue projections, and review these termly.
- Trust Boards to take an integrated approach to curriculum and financial planning to give confidence about planning the best curriculum for their pupils and delivery of educational priorities with the funding they have available.

10. INVESTMENT POLICY

The Trust needs to maximise income from bank deposits without exposing itself to inappropriate or unacceptable risk. Any investments of the Trust surplus funds will be made at the high interest facilities offered by its Bankers currently Lloyds Bank.

The following policy applies to the investments:

- To ensure that exposure to investment products is tightly controlled so that the security of funds takes precedence over revenue maximisation.
- To identify funds surplus to immediate cash requirements and transfer the funds to the Nene Education Trust deposit account bearing a higher interest rate.
- The Chief Executive Officer and Chief Finance Officer as part of the schedule of delegation can move £300,000 between Lloyds bank accounts. Such transactions will be reported to Board of Trustees /Finance Committee.
- To review periodically and at least annually interest rates and compare with other investment

opportunities.

- To review periodically and at least annually the Trusts current policy to only invest funds in immediately accessible deposit accounts offered by Lloyds and other banks which do not pose any inappropriate or unacceptable risk.
- Ensure well maintained investments and compliant with relevant regulations.
- Any change in policy requires the approval of the Board of Trustees /Finance Committee.

11. RESERVES POLICY

The purpose of the policy is to consider the maintenance of a minimum working reserve in order to minimise any financial risks facing the school, such as delays between spending and receipt of grants or unexpected emergencies.

- To regularly review the nature of income and expenditure streams and the need to match income with commitments.
- To consider the set aside of funds for significant projects that cannot be met by future income alone.
- Any change in policy requires the approval of the Board of Trustees.

September 2023 Nene Education Trust Policy:

The ESFA has suggested that Trust reserves should be between 3 and 5%. If reserves reduced below 3% there may be an issue raised as to whether the Trust in question remains a going concern.

The reserves objective is to reach 5% of GAG income for each school.

To achieve the 3% minimum of GAG and head towards the 5% of GAG target, the Trust is taking the following action;

- Schools in a deficit position have a target reserves position of 1% of their GAG income for the year, unless specified why this is not possible.
- Schools in a surplus position have a target reserves position of 0.5% of their GAG income for the year, unless specified why this is not possible.

12. CHARGING & REMISSIONS POLICY

The charging and remissions policy adopted by the Trust Board ensures that the statutory requirements are met and is intended to reflect the general principles of the Education Act

The Trust Board adopted a revised Charging and Remissions Policy in February 2023.

13. BURSARY POLICY

Introduction

The bursary fund is designed to help those young people between the ages of 16-19 who face the greatest barriers to continuing in Post-16 Education.

The Bursary award has two main elements the Vulnerable Student Bursary and the Discretionary Bursary. Nene Education Trust only receives 16-19 bursary fund allocations for discretionary bursaries only. The funding for vulnerable student bursaries are held centrally by the Learner Support Service and the Trust can draw down funding on demand.

To be eligible to receive a bursary in the 2023 to 2024 academic year the student must be aged 16 or over but under 19 at 31 August 2023.

Vulnerable Student Bursary

This bursary is available to students who fall under one of the following vulnerable groups:

- Young person in care
- Young person in receipt of Employment Support Allowance
- Disabled Young People in receipt of Employment Support Allowance who are also in receipt of Disability Living Allowance

The Trust is responsible for identifying and assessing a young person's eligibility and must ensure that it has seen appropriate evidence, and keep copies of the evidence for audit, before funding is drawn down.

Making an Application

Applications are made using the Bursary application form.

Students must provide evidence that they themselves fall into one of the categories above by providing official evidence. Initial applications for the vulnerable student bursary must be made before October 31st. This does not prohibit students from applying should they fall into the vulnerable group within the year. Students will then be allocated the bursary 'pro-rata' based on the number of school weeks left (based on 30 school weeks a year).

To draw down vulnerable student bursary funding, the Trust must complete a funding claim form downloaded from the DfE and submit it to the Learner Support Service by email.

Payments

Nene Education Trust will split the bursary into 3 school terms with £400 value of educational resources being provided each term. Please see policy or the range of educational resources for which can be claimed. Vulnerable bursary applicants must use all of their bursary allocation by the end of the academic year. Students may wish to purchase the resources themselves, provide an original receipt and then claim the monies back or to put an application in for the school to purchase the resource for them on their behalf. Receipt of the bursary is conditional on the student meeting agreed standards relating to attendance and behaviour.

Discretionary Bursary

This bursary is available to all students who are facing financial difficulty it is targeted at students who cannot stay in education without financial help. As funds are limited, students who are deemed most in need will be given priority. Families may provide evidence to support their claim such as household income statements (P60's), FSM statements, Tax Credit Award Notice, recent redundancy notices, long term illness evidence or lone parent maintenance. This evidence shall be retained by the Head of Sixth Form.

Qualifying for the Bursary

In order to qualify for the discretionary bursary, the student must meet the following criteria:

- The student must be aged over 16 but under 19 at 31 August before the academic year in question
- Adherence to the Post-16 Learning Contract as described in the student planner
- Attendance of 95% or above
- Performance reflecting commitment to sixth form study

Evidence that a student has seen and agreed to the conditions above should be kept for audit

Students aged 19 or over are only eligible to receive a discretionary bursary if they are continuing on a

study program they began aged 16 to 18 or have an Education, Health and Care Plan (EHCP).

Making an Application

Applications are made using the Bursary Fund application form. Students must detail both the difficulty they are facing to provide the resource and the resource they would like purchased and the purpose of the resource.

Payments

Please see the policy for the range of educational resources you may claim for. The Trust will then either purchase these resources on the student's behalf or students may wish to purchase the resources themselves, provide an original receipt and then claim the monies back.

Appeals Procedure

Any appeals to the bursary awarded must be made in writing to the Principal/Vice Principal within 7 days of the non-award.

Qualifying Educational Resources

Students may make an application to the bursary fund for resources that will help them stay in education or help them achieve the best possible grade in their subject area. Resources may include the following:

- Transport costs
- Educational Visit costs
- Texts books/ folders / stationery / other equipment
- Meals
- School clothing and/ or protective clothing
- Extended learning costs (Open day transport or accommodation / summer school costs or accommodation)
- Childcare support
- Living costs

This list is by no means exhaustive and any application made by a student to help them remain in education will be considered on its own merit.

Misuse and Fraud

It is the responsibility of the Trust to investigate instances of fraud when students are applying for a bursary. Where evidence is found that misleading or fraudulent information has been knowingly submitted, by a student or parent, resulting in the student receiving a bursary that they should not have, then the institution should attempt to recover the overpayment from the student.

If significant fraud is identified it must be reported to the ESFA. Significant fraud involves one or more of the following:

- The amount of money is over £5,000
- The particulars of the fraud are novel, unusual, systemic or compiles
- There is likely to be great public interest because of the nature of the fraud or the people involved.

Student and /or their families should sign a declaration when they apply for either a vulnerable or discretionary bursary. This should include confirmation that any evidence given in support of the application is correct and complete to the best of their knowledge and belief. Students and their families should be made aware that by signing the declaration they are agreeing to all the conditions and eligibility criteria of the scheme. Students and their families should be made aware that giving false or incomplete information which results in an overpayment will mean that the Trust will stop any future payments, and seek repayment of anything paid so far. The matter may also be referred to the police with the possibility of the student and/or their family facing prosecution.

Paying Bursaries

The bursary is paid directly to the student by BACS transfer in to the student's bank account. Bursary payments will not be paid into another person's account, except in exceptional circumstances where a student is unable to administer their own account

Appeals Procedure

Any appeals to the bursary awarded must be made in writing to the Principal/Vice Principal within 7 days of the non-award.

Any change in policy requires the approval of the Board of Trustees.

14. INCOME

Cash and Cheque Management

Although cash and cheque collection is now kept to a minimum, the following procedures apply when it is unavoidable:

- All income received should be recorded immediately and a receipt issued.
- All income shall be acknowledged by the collector to the payer, this will be by a system generated receipt. A receipt should always be issued for income in accordance with the scheme of delegation.
- When a receipt is issued, a copy will be given to the payer and the duplicate copy kept at the Academy.
- All monies received must be retained securely, i.e. within insurance limits, and banked intact as soon as is practicable.
- All cheques banked must be entered on the bank paying-in slip and recorded in PS Financials;
- For normal day-to-day transactions, the Academy Business Manager or equivalent will be responsible for receiving income and banking of income.
- The Chief Operating Officer shall periodically check that all the monies due to the academies have been collected and banked.

Personal cheques will not be cashed from money received and due to the Trust.

The Trust Finance Manager will ensure that all VAT on income is treated in accordance with appropriate VAT procedures.

The main sources of income for the Trust are the grants from the DfE. The receipt of these sums is monitored directly by the Chief Operating Officer who is responsible for ensuring that all grants due to the Trust are collected.

The Trust also obtains income from:

- students, mainly for trips and catering;
- the public, mainly for sports lettings;
- school services (eg transport and music tuition)
- grants, LEA and public organisations.

Trips

A lead teacher is appointed for each trip to take responsibility for the collection of sums due. Payments for trips are managed through the online payment facilities available to that site. All trip payments are automatically receipted against the individual Student's account. Amounts paid and any outstanding

amounts due can be viewed by both parents and the Finance office. Payment reports are sent to the lead teacher on a monthly basis and the lead teacher is responsible for chasing the outstanding amounts.

Catering Income

The income received weekly by the Catering Department at Manor School must be reconciled against the reval machine reports by a Catering Assistant, who will then complete a bank paying in slip. The income is then taken to the Finance Office for safe custody prior to banking. The Finance Officer is responsible for inputting the income details from the paying in slip onto the accounting system.

Online payments (Wise Pay/ParentPay) for trips, meals and invoice payments are reconciled to the bank statement and input into the accounting system on a monthly basis.

5 Wells Development Centre income and charging

5WDC deliver a number of training sessions for both internal and external colleagues working in Education.

5WDC makes charges for these training sessions and the materials associated that are designed by staff responsible for delivering sessions.

The Development Centre Manager (DCM) is responsible for raising the invoices via the PS Financial system for the above services and posting them to the relevant sales ledger. The DCM is responsible for collection of all outstanding invoices and must report to the Head of Finance any debtors that are beyond the terms of trade. No debts should be written off without the express approval of the Board of Trustees /Finance Committee (the DfE's prior approval is also required if debts to be written off are above the value set out in the annual funding letter).

Sports Lettings

The Leisure Centre Manager is responsible for maintaining records of bookings of sports facilities and for identifying the sums due from each organisation. Payments must be made in advance for the use of facilities. Details of organisations using the sports facilities should be sent by the Leisure Centre Manager to the Manor School Finance Assistant who will establish a sales ledger account and produce a sales invoice from the PF Financials accounting system. Details of payments made and outstanding accounts will be forwarded to the Leisure Centre Manager at the beginning of each week and the Leisure Centre Manager is made aware of outstanding debts and ensuring no use is made of the facilities unless payment has been made.

The income received by the Leisure Centre must be reconciled against the till printouts by a Duty Manager, who will then complete a bank paying in slip. The income is then taken to the Manor School Finance Office for safe custody prior to banking.

No debts should be written off without the express approval of the Board of Trustees /Finance Committee (the DfE's prior approval is also required if debts to be written off are above the value set out in the annual funding letter). Organisations using the sports facilities should be instructed to send all payments to the Finance Office.

Debit/Credit Card Income

The Trust has two Cardnet terminals for debit/credit card payments. Access to the terminals are restricted to the finance office staff, catering counter staff and leisure centre staff. All merchant copies of card receipts are kept secure at all times in either till drawers or in the main safe. The Finance Office at Manor School ensures that the Trust fully complies with the Payment Card Industry Data Security Standard (PCI DSS) and that this compliance is validated on an annual basis. Debit/Credit card income is reconciled against the monthly bank statement and input onto the accounting system.

15. ACCOUNTING SYSTEM

All the financial transactions of the academies and Central Trust must be recorded on the PS Financials accounting system. The PS financials system is administered by the Central Trust and operated in the individual academies.

PS Financial Administration

The PS Financial Software allows users to be set up with appropriate access levels. Access to these settings is restricted to the Chief Operating Officer.

These access levels can be used within the system to restrict access to the nominals and accounts depending on the roles of the users. The ability to create new nominal and account codes is restricted to the central Trust administrator role.

Authorisation of requisitions is currently a manual process that takes place outside of the available software.

Transaction Processing

Finance staff, both in the central Trust office and in the individual academies, are responsible for processing manual requisitions, purchase orders, sales invoices, petty cash, income and purchase invoices.

Management Accounts

The Chief Finance Officer will access and review various summary and transaction reports to ensure that transactions are posted to the accounting system correctly.

The Chief Finance Officer will produce Management Accounts reports in line with the requirements in the Academy Trust Handbook 2023 on a monthly basis. These reports will be reviewed monthly by the CEO of the Trust and shared with the Chair of Trustees. Finance Committee members will have access to the monthly Management Accounts through a shared area within the Trust's systems.

Reports will show income and expenditure against budget for all areas of the Trust and will provide sufficient information to enable trustees to assess the financial viability of the Trust going forward.

Reconciliations

Responsibility for ensuring the following reconciliations are performed each month will ultimately rest with the Trust's Chief Finance Officer, who will designate appropriately. In the case of Bank Reconciliation, as the Trust operates one central bank account, this will be performed at the Trust Central Office:

- Bank reconciliation, including a review of unreconciled items;
- Sales ledger control account;
- Purchase ledger control account;
- Payroll control account;
- Petty cash control account;
- Credit card accounts;
- VAT control account

BACS payment runs are prepared in the academies or Trust office and are authorised by the Chief Finance Officer, who will access the Lloyds Commercial Banking site to provide the first approval. Payments are

then only released from the bank following a second approval by the CEO or, in his absence, by the Director of School Improvement who has delegated authority for processing BACS payments arising from Trust activities. Password/keypad systems are operated such that one individual cannot effect these payments.

Where cheques are raised, these are signed in accordance with the individual bank mandate, normally requiring at least two signatures.

A complete audit trail is maintained on the PS Financial accounting system which for reviewed by the Chief Operating Officer as appropriate.

16. PROCUREMENT POLICY

All academy trusts must carry out procurement as part of their daily activities. Procurement is the term used to describe the whole process of buying anything. This includes the first step of identifying what it is that you need, finding out what different suppliers can offer you, and then choosing, purchasing and using your goods or managing your services, right through to disposing of the used goods, or the end of the contract.

Academy trusts rely on public funding to carry out their work and meet their objectives. As such they have to understand and follow basic procurement rules whenever they spend that money. These rules aim to ensure that taxpayers' money is used in ways that are demonstrably open, fair, and good value.

Understanding and following these rules and guidance will provide protection from being criticised for wasting public money or using it inappropriately. It will give all suppliers an equal opportunity to seek business and make competitive offers, and ensure that spending choices and decisions are transparent and defensible.

Poor procurement skills impact on the Trust's ability to meet its objectives – bad spending decisions mean that the total budget simply won't go as far as it can and should. But they can also result in legal challenges, cancellation of contracts, financial penalties and damages, and loss of reputation. Suppliers who compete unsuccessfully for business can be especially keen to challenge the legality of the procurement process. Good procurement is simply a mix of common sense, planning upfront, and knowing and following the basic UK and EU legal requirements governing all public sector spending. From basic everyday purchases to the most complicated and costly one- off decisions - the key elements of good procurement are:

- Planning - taking the time up-front to get the information needed to make a good, informed decision. The DfE's 'deals for schools' can help the planning process, making buying simpler and quicker and providing better value for money in a range of categories.
- Information – knowing and understanding the basics – such as the legal requirements that must be followed for any high-value spending. There is a requirement to obtain ESFA approval before any novel or contentious payments are made. The ESFA has made it clear in its regulatory publications that any spending on alcohol from any academy funds, for any amount is not permitted except where it is to be used for religious services.
- Common sense - good judgment: for example, allocating more time to one-off high-value purchases, recognising when further help and advice is necessary, or having the confidence and experience to make the decisions. Procurement can range from the everyday, low-value purchases such as classroom supplies and cleaning products, right up to the highest-value, one-off purchases – a major refurbishment project, or letting a three-year contract for catering services. It will not be possible to subject every procurement process to the same level of scrutiny. The more public money being spent, the tighter the controls you need to apply.

Public procurement regulations cover three categories of spend:

- Goods – the term for actual products being purchased, such as stationery, equipment (e.g., IT, catering, furniture), vehicles
- Works – this refers to any building work, including new buildings, extensions, refurbishments or repairs.
- Services – the skills and expertise provided by individuals or companies. Examples include: IT installation and maintenance, catering services, grounds maintenance.

All public sector procurement - including schools and academies - must comply with the UK laws on this matter

The UK Government's **Find a Tender Service (FTS)** has now launched and must be used for all new procurements in place of OJEU This has now been fully ratified into UK law.

These Regulations are legally binding on anyone responsible for spending public funds, to safeguard the fair competition principles set out below.

UK procurement law protects five key principles:

- Equality - all suppliers bidding for public sector contracts must be treated equally.
- Non-discrimination - do not discriminate directly or indirectly against suppliers from another European Union state, or their workers.
- Transparency – all procurement of a sufficiently high value must be advertised, to make it possible for suppliers from across the UK to find out about the work and, potentially, bid for it.
- Proportionality - the means should be proportional to the ends.

The principle of proportionality also applies to an academy's procurement activities. To help decide what steps are appropriate for different values of spending, schools, academies (and other public bodies) need to set and use procurement thresholds – financial limits, with the required procurement protocols set out and agreed for each item of expenditure below or above each threshold.

Propriety

It is essential that propriety is ensured in all financial business. This is necessary to protect the integrity of those involved in spending public money, and minimise the opportunities for errors or impropriety.

One key aspect of this is to avoid any conflicts of interest.

There must be a clear separation of duties within the Trust's procurement and payment processes. The critical element is to ensure that the same person is not responsible for taking the decision to buy something and for authorising/making payments for that purchase.

Ideally a separate member of staff should be responsible for each of the four stages below:

- the authority to make spending decisions
- the authority to approve spending decisions
- certifying the invoice (checking to confirm the invoice details are accurate); and
- authorising payments

There must be even-handedness in relationships with connected parties, and goods or services provided

by individuals or organisations connected to the trust are provided at no more than cost beyond the limits specified in the Academies Financial handbook.

Data security

Data security and confidentiality are going to be key considerations when dealing with suppliers. In particular, where letting contracts with suppliers to provide services, it is likely that those suppliers will need access to personal data and those of the teachers and the students.

The individual academies and the central trust teams must at all times follow the standards and expectations of the General Data Protection Regulations (GDPR) that came into force during 2018.

The procurement cycle

Procurement is a cyclical process starting where the needs are assessed and the budget made available and ending with receipt, use and eventual disposal of the goods and services paid for. Between those two points, the steps to take will vary, depending on the amount of money being spent and the relative importance of the procurement (i.e., how relevant this specific purchase is to the academies ability to function). Basically, the more money being spent, the more care must be taken to ensure that the procurement is open, fair, transparent and competitive.

The procurement process overall aims to optimise outcomes and manage risk and strike a balance between the requirement to spend public money in the most efficient, effective and appropriate way, and the need to balance these procurement duties with the wider responsibilities and remit to meet the academies overall objectives:

Low value procurement; most of the day-to-day, low value procurements do not require a competition process:

- Investigate and get to know the market;
- 'Shop around' to look for good-value deals;
- Comparison to local purchasing consortia, e.g. ESPO;
- Compare prices and options on at least three suppliers, by getting quotations (ideally in writing, by email or at least by telephone), where it is cost-effective and proportionate to do so.

Medium and high-value procurements; the overall steps are broadly similar:

- Identify need - develop an initial briefing note based on current needs for goods, works or services;
- Make a business case for the procurement - the essential planning document for managing the whole procurement process;
- Define the procurement approach - - consider the options for carrying out the procurement;
- Markets and suppliers – understanding the market, identifying potential suppliers;
- Carrying out some form of competition - tender and evaluation – advertising for bids, evaluating tenders, making the right choice;
- Comparing at least three potential suppliers;
- Using a process of impartial evaluation to choose the supplier who meets the requirements at the best value price;
- Letting the other suppliers know they were unsuccessful and if any supplier requests feedback providing it. Bear in mind that an unsuccessful supplier this time might be the best supplier for other business you have in future – and the better they understand how they failed to meet the needs this time, the more they will be in a position to make a better and more competitive offer next time;
- After notifying all the suppliers of the decision there is an obligation to do nothing at all for a period of ten calendar days. This is known as the standstill period and is designed to give all the suppliers the opportunity to consider the decision and decide if they feel they have been treated unfairly and wish to challenge the decision in any way. Providing no challenge is forthcoming after ten days the

contract can go ahead and be delivered;

- Awarding the contract – agreeing and signing the formal legal agreement, taking delivery of your goods or services;
- Contract management – to ensure the goods or services paid for, securing best value for money;
- Closure - lessons learned – at the end of the contract, what lessons will be taken forward to the next procurement.

The main difference between medium- and high-value procurements is the requirement to make the competition part of the process more formal and open, by advertising the business and considering all interested suppliers on the same open terms. This is tendering, which is described in more detail later on.

For emergency situations, set thresholds may be exceeded, but such instances should be reported to the Finance Committee.

Frameworks

For any value of procurement, it is possible to use an existing framework agreement to identify and secure a competitive deal with a reliable supplier. Frameworks are a set of umbrella agreements that have been drawn up by another public sector body, such as Local Authorities and their public sector buying consortia, or by central Government Departments such as DfE and Crown Commercial Service.

These agreements are with a 'panel' of suppliers of similar goods or services. Suppliers on a framework are approved to provide certain services, with an assurance of competitive rates guaranteed, and with the basic legal and other checks (financial stability, track record, etc.) having already been carried out by the 'owner' body. These allow the placing of orders for goods, works or services. A 'mini-competition' amongst the relevant suppliers on a framework is usual but this is typically a quicker and simpler process than setting up a new contract from scratch. For example, within DfE the Project Management and Education Services Framework provides a select pool of suppliers with good experience in supporting the initial and ongoing work involved in Academy and Free School projects. By running a mini-competition within this framework, academies can secure the right professional services for their specific needs at guaranteed good rates, quickly and efficiently.

In the event of a critical issue arising where the continuity of business is threatened by following the full procedure above, the Chief Financial Officer has the authority to permit the individual academy to place an order through an existing framework or directly with an established supplier who has previously provided these services to the academy. This contract will be for no more than the minimum available period and will subsequently follow the full procedure at the next renewal date.

Markets and suppliers

Outside of frameworks, all procurement will involve researching and understanding the wider open marketplace of suppliers for the goods and services, and making a cost-effective, impartial choice within that market.

When several suppliers are competing, they will try to attract the customers by offering good-value deals and discounts. One of the key ways to achieve value for money is through encouraging competition amongst potential suppliers, by making sure as many as possible are aware of the business and are competing to get it. And this is easier to do following some basic research and understanding the market, which will help to target potential suppliers, and identify the best value options. This process is called market sounding.

Supplier open days

Before committing to any procurement, a selection of suppliers can be invited to meet and give their collective input on the procurement project. This will help to raise supplier awareness of the new business opportunity. The aims of the procurement can be outlined directly, and the suppliers will be able to say

Contract management

A contract should be managed over its lifespan. The contract manager, will take responsibility for ensuring that every aspect of the contract is functioning as planned and as effectively as possible. An example of good contract management is on GOV.UK It covers service level agreements, getting value for money, contract renewals and how to draw up a content management plan.

Closure and lessons learned

This is the final step in the procurement cycle; the need to consider how to dispose of any goods that have reached the end of their useful life, or when any contract that is currently running comes to its end, and how to deal with the possible impact. For example, leasing equipment such as photocopiers – what happens when that contract ends? Or, with contracts for cleaning or catering services how long will it take to run a competition for a new contract?

Exit strategy

An exit strategy is a plan for ending a contract earlier than originally intended. It outlines what actions need to be taken by the organisation at that point. Every project must have one.

The exit strategy must include contingency plans. For example, if a supplier goes out of business, what will the academy do to ensure services are still received?

End of contract review

At the end of a contract a formal review, taking on board the views of stakeholders and users of the product or service should take place. Then update the business case with lessons learned during the life of the contract. Anyone managing similar procurements in the future can take these into account.

Managing the end of the contract process

If future arrangements require a full procurement process, then adequate time must be allowed for this to happen. For example, if you need a new canteen supplier, the procurement process must start before the old contract expires, or there will be the potential to be without a canteen services until the new contract is put in place.

Purchasing Quotations and Authorisation Levels

The following guidelines should be followed within the Trust in relation to purchasing and authorisation in line with the Trust's Scheme of Delegation:

Routine Purchasing

It is the responsibility of the budget holder to manage the budget and to ensure that the funds available are not overspent. Details of actual expenditure against budget will be supplied to budget holders, who are encouraged to keep their own records of orders placed but not paid for.

Routine purchases up to £1,000 can be ordered by Finance staff in the schools and up to £2,000 by budget holders. In the first instance a supplier should be chosen from the list of approved suppliers maintained by the Trust. A quote or price must always be obtained before any order is placed. It is the budget holder's responsibility to check to ensure adequate budgetary provision exists before an order is placed. If the budget holder considers that better value for money can be obtained by ordering from a supplier not on the approved supplier list the reasons for this decision must be discussed and agreed with the relevant Finance Officer or Chief Operating Officer.

All orders must be requested in writing using an official requisition form. Orders must bear the signature of the budget holder and must be forwarded to the relevant academy or Trust Finance Office where the details are entered on to PS Financials and a purchase order is raised. Authorisation of purchase orders is

Guarantees or Letters of comfort

The academy trust **must** obtain [ESFA's](#) prior approval for the following transactions beyond the delegated limits described below:

- entering into guarantees or letters of comfort; and
- entering into indemnities which are not in the normal course of business.

The delegated limits, are:

- 1% of total annual income or £45,000 (whichever is smaller) per single transaction
- cumulatively, 2.5% of total annual income (subject to a maximum of £250,000) in any financial year per category of transaction for trusts that have not submitted timely, unqualified accounts for the previous two financial years. This category includes new trusts that have not had the opportunity to produce two years of audited accounts
- cumulatively, 5% of total annual income (subject to a maximum of £250,000) in any financial year per category of transaction for trusts that have submitted timely, unqualified accounts for the previous two financial years

5.22 Before accepting liabilities by issuing guarantees, a letter of comfort or indemnity, the trust should secure [value for money](#) by appraising the proposal through assessment of the costs and benefits of relevant options.

17. FINANCIAL SCHEME OF DELEGATION – NENE EDUCATION TRUST, 1 September 2023

Delegated Duty	Value	Delegated Authority	Method
Purchase Orders – Ordering goods and services	Up to £2,000	Central & Schools with PAN > 600 budget holders	Preferred supplier list where possible
	£2,001 to £10,000	As above & school Principals with PAN > 600	2 quotations for orders from £2,000 to £10,000
	Up to £10,000	Principals with PAN < 600	
		Head of Finance/DOO for central purchasing	
	£10,001 to £25,000	As above & CFO/DOO	3 written quotations
	£25,001 to £50,000	As above & CEO	
	£50,001 to £100,000	As above & Audit Committee	Formal tendering process
	Over £100,000	As above & Board of Trustees	
Signatories – Cheques, BACS payments and other bank transfers	Up to £25,000	Any 2 signatories from the Lloyds Bank mandate	
	Over £25,000	Any 3 signatories from the Lloyds Bank mandate	
Investments – Transfers between bank accounts	Up to £300,000	CFO / DOO / CEO	
	Over £300,000	Board of Trustees	
Virement of budget provision between budgets	Up to £10,000	CFO / DOO	
	£10,0001 to £50,000	As above & CEO	
	Over £50,000	As above & Audit Committee	
Disposal of Assets – Net book value	Up to £10,000	CFO / DOO / CEO	
	£10,001 to £20,000	As above & Audit Committee	
	Over £20,000	Board of Trustees	
Write offs – Bad Debt	Up to £1,000	CFO	
	£1,001 to £5,000	As above & CEO	
	Over £5,000	As above & Board of Trustees receiving recommendation from the Audit Committee	
	1% of Total Income / £45,000 (whichever is the smaller single transaction)	ESFA approval as per the Academy Trust Handbook	
	Cumulatively 2.5% of total annual income	Refer to ESFA limits and stipulations as per the Academy Trust Handbook	
	Cumulatively 5% of total annual income		

Budget holders must make appropriate arrangements for the delivery of goods to the academy. On receipt the budget holder must undertake a detailed check of the goods received against the goods ordered and make a record of any discrepancies. Discrepancies should be discussed with the supplier of the goods without delay.

If any goods are rejected or returned to the supplier because they are not as ordered or are of sub-

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standard quality, then Finance Officers should be notified.

When the invoice is received, it is stamped with a grid stamp and forwarded to the budget holder to authorise payment. Goods and services are checked on receipt to ensure they match the order details. When the authorised invoice is received back, the Finance Assistant enters the invoice details on to PS Financials after checking the following:

- receipt of goods or services cross-referenced to the order number;
- expenditure has been properly incurred and that payment has not already been made;
- prices accord with quotations, tenders, contracts or catalogue prices and is arithmetically correct;
- VAT treated correctly;
- discounts are taken when available;
- the invoice is correctly coded.

If a budget holder is pursuing a query with a supplier the relevant Finance Officer must be informed of the query and periodically kept up to date with progress.

Payments to be made to the purchase ledger and will then be detailed and a BACs pay file prepared. The Payment run, or any necessary cheques and associated paperwork must be authorised by two of the nominated cheque signatories. Remittance advice notes/Cheques will be dispatched to suppliers by Finance officers.

No member of staff may authorise any payments relating to expenditure incurred or services supplied by themselves or their relatives. Any cheque over £25,000 must have three signatures in accordance with the bank mandate.

Declaration of Self-employed Person

Payments for goods / services from individuals will only be made once the supplier has completed a Declaration of Self-employed Status, declaring that they are registered with HMRC as being self-employed and that they agree to inform HMRC of all payments received from the Academy (see Appendix D).

Orders over £1,000 but less than £10,000 - where alternative suppliers exist.

Where an order is over £2,000 but less than £10,000 at least two quotations should be obtained from two different suppliers.

Where an order is over £10,000 but less than £50,000 at least three written quotations should be obtained from three different suppliers

These processes ensure the best source of the goods/services is identified. Written details of quotations obtained should be prepared and retained by budget holders for audit purposes. Telephone quotes are acceptable if these are evidenced and faxed/emailed confirmation of quotes has been received before a purchase decision is made.

18. TENDER PROCESS (Orders over £50,000):

All goods/services ordered with a value over £50,000, or for a series of contracts which in total exceed £50,000 must be subject to formal tendering procedures. Where possible the Trust will use purchasing frameworks and will follow DfE advice ([Buying for schools - Guidance - GOV.UK](https://www.gov.uk/guidance/buying-for-schools)) on how to plan and run an efficient procurement process to buy goods, works or services.

Forms of Tenders

There are three forms of tender procedure: open, restricted and negotiated and the circumstances in which each procedure should be used are described below.

- **Open Tender:** This is where all potential suppliers are invited to tender. The budget holder must discuss and agree with the Chief Operating Officer how best to advertise for suppliers e.g. general press, trade journals or to identify all potential suppliers and contact directly if practical. This is the preferred method of tendering, as it is most conducive to competition and the propriety of public funds.
- **Restricted Tender:** This is where suppliers are specifically invited to tender. Restricted tenders are appropriate where:
 - there is a need to maintain a balance between the contract value and administrative costs,
 - a large number of suppliers would come forward or because the nature of the goods are such that only specific suppliers can be expected to supply the Trust's requirements,
 - the costs of publicity and advertising are likely to outweigh the potential benefits of open tendering.
- **Negotiated Tender:** The terms of the contract may be negotiated with one or more chosen suppliers. This is appropriate in specific circumstances:
 - the above methods have resulted in either no or unacceptable tenders,
 - only one or very few suppliers are available and extreme urgency exists,
 - additional deliveries by the existing supplier are justified.

Preparation for Tender

Full consideration should be given to:

- objective of project
- overall requirements
- technical skills required
- after sales service requirements
- form of contract.

After all requirements have been established they are ranked (e.g. mandatory, desirable and additional) and award marks to suppliers on fulfilment of these requirements to help reach an overall decision.

Invitation to Tender

If a restricted tender is to be used then an invitation to tender must be issued. If an open tender is used an invitation to tender may be issued in response to an initial enquiry.

An invitation to tender should include the following:

- introduction/background to the project;
- scope and objectives of the project;
- technical requirements;
- implementation of the project;
- terms and conditions of tender and
- form of response.

Aspects to Consider

Financial

- Like should be compared with like and if a lower price means a reduced service or lower quality this must be borne in mind when reaching a decision.
- Care should be taken to ensure that the tender price is the total price and that there are no hidden or extra costs.
- Is there scope for negotiation?

Technical/Suitability

- Qualifications of the contractor
- Relevant experience of the contractor
- Descriptions of technical and service facilities
- Certificates of quality/conformity with standards
- Quality control procedures
- Details of previous sales and references from past customers.

Other Considerations

- Presales demonstrations
- After sales service
- Financial status of supplier. Suppliers in financial difficulty may have problems completing contracts and in the provision of after sales service. It may be appropriate to have an accountant or similarly qualified person examine audited accounts etc.

Tender Acceptance Procedures

Where possible this will be managed through a consultancy company. The invitation to tender should state the date and time by which the completed tender document should be received by the Trust. Tenders should be submitted in plain envelopes clearly marked to indicate they contain tender documents. The envelopes should be time and date stamped on receipt and stored in a secure place prior to tender opening. Tenders received after the submission deadline should not normally be accepted.

Tender Opening Procedures

All tenders submitted should be opened at the same time and the tender details should be recorded. The CFO and CEO should be present for the opening of tenders. Tenders between £50,000 and £100,000 should be opened in the presence of a Finance Committee member and for any tenders in excess of £100,000, a member of the Board of Trustees should be present.

A separate record should be established to record the names of the firms submitting tenders and the amount tendered. This record must be signed by all people present at the tender opening.

Tendering Procedures

The evaluation process should involve at least two people. Those involved should disclose all interests, business and otherwise, that might impact upon their objectivity. If there is a potential conflict of interest then that person must withdraw from the tendering process.

Those involved in making a decision must take care not to accept gifts or hospitality from potential suppliers that could compromise or be seen to compromise their independence.

Full records should be kept of all criteria used for evaluation and for contracts over £100,000 a report

should be prepared for the Board of Trustees/Finance Committee highlighting the relevant issues and recommending a decision. For contracts under £100,000 the decision and criteria should be reported to the Board of Trustees / Finance Committee.

Where required by the conditions attached to a specific grant from the DfE, the department's approval must be obtained before the acceptance of a tender. The accepted tender should be the one that is economically most advantageous to the Trust. All parties should then be informed of the decision.

If for any reason the minimum number of quotations has not been received in accordance with the details specified above, this must be recorded on the purchase order and signed by both the CFO and the CEO.

The UK Government's **Find a Tender Service (FTS)** has now launched and must be used for all new procurements

Managing the contract

Contract management is how to ensure that the supplier is delivering the contract requirements to specification and cost and that any shortfalls in performance are tackled effectively and quickly.

It is a joint responsibility between the academy and the supplier. A good contract manager builds and maintains a strong working relationship with the supplier and with all relevant partners and stakeholders, checking that the scheduled goods, works or services are being delivered on time and to the required standards set out in the contract.

He or she will be responsible for responding to changes in the wider marketplace or environment, and for addressing any problems as they arise, seeking resolution through informal dialogue as a first step. An effective contract manager will also seek to get better value out of the existing contract – by identifying incentives to encourage higher performance delivery from the supplier, or using cost-effective measures (for example, seeking discounts for very prompt payment of invoices).

Best Value

The Trust is committed to achieving Best Value for Money from all purchases. A large proportion of purchases will be paid for from public funds and must comply with the principles of

- Probity; it must be demonstrable that there is no corruption or private gain involved in the contractual relationships;
- Accountability; public accountability for expenditure and the conduct of its affairs;
- Fairness; that all are dealt with fairly and equitably.

The principles of Best Value are applied to securing continuous improvement and will ensure:

- All services are of a high quality that provide good value for money, meet the needs of their users and contribute positively to the general ethos of the academy;
- Resources are deployed to secure the continuous improvement in the means through which the Trust's functions are exercised;
- All expenditure is relevant to the School Improvement Plan and is regularly reviewed;
- Due consideration has been given to Post OFSTED Inspection Plans (if applicable) in compiling the Trust's budgets;
- All premises/supplies and services' contracts agreed by the Trust are reviewed periodically and are the most effective, economic and efficient that are;
- The Trust aims to ensure that it is a well-managed organisation that supports and values the contribution made by its workforce.
- The Trust will not enter into any Finance Leases as these agreements technically constitute borrowing

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which the ESFA does not allow unless approved by the Secretary of State

- Every proposed lease must be approved by the Chief Operating Officer prior to placing any order
- Leasehold or tenancy agreements can only be entered into in line with the limits and permission detailed in the Academies Financial Handbook.
- There may be instances where purchases of core services such as utility charges are regulated as a single supply across a number of different locations.
- The Trust must report on how value for money has been achieved annually in its financial statements.

Appropriate authorisation limits are reviewed annually and approved by the Trust.

19. BANK ACCOUNTS

The transfer of business to a new banking provider must be authorised by the Board of Trustees who must set out, in a formal memorandum, the arrangements covering the operation of accounts, including any transfers between accounts and cheque signing and BACS approval arrangements.

The trust must manage its cash position robustly. It **must** avoid becoming overdrawn on any of its bank accounts so that it does not breach restrictions on borrowing. It may be required to report on its cash position to ESFA where there are concerns about financial management.

Where the cash flow position is such that the bank account might become overdrawn, then the CEO has the authority to request from the ESFA an early advance of the monthly budget allocation. Confirmation that such a request has been made must be notified to the CFO and Chair of the Finance Committee, together with an explanation as to the reasons why and the additional cost to the Trust in terms of interest charged.

Direct Debits will only be made with the authorisation of any two signatories from the Trust's mandate.

Authorisation limits for Direct Debits will be in line with the scheme of delegation above.

20. PAYROLL

The main elements of the payroll system are:

- staff appointments;
- payroll administration and
- payments.

Staff Appointments

The Board of Trustees approve the personnel establishment for the Trust. Changes can only be made to this establishment with the express approval in the first instance of the Board of Trustees who must ensure that adequate budgetary provision exists for any establishment changes. The Board of Trustees **must** ensure that their decisions about levels of executive pay follow a robust evidence-based process and are reflective of the individual's role and responsibilities. No individual can be involved in deciding his or her remuneration and the Board of Trustees must ensure that its approach to pay is transparent, proportionate and justifiable.

Publication of executive pay

The Trust **must** publish on its website in a separate readily accessible form the number of employees whose benefits exceeded £100k, in £10k bandings, as an extract from the disclosure in its financial statements for the previous year ended 31 August. Benefits for this purpose include salary, other taxable benefits and termination payments, but not the trust's own pension costs. In the case of employees who are trustees, their salary and other benefits will also be disclosed in £5k bandings in the trust's financial statements, as set out in the model trustees' remuneration note in the Academies Accounts Direction.

The Principals have authority to appoint staff within the authorised establishment except for Vice Principals and the CFO whose appointments must follow consultation with the Chief Executive Officer and Members /Trustees. The Director of Operations Manager ensures that personnel files for all Members of staff are maintained, including contracts of employment and confirmation of Disclosure Barring Service (DBS) checks.

The introduction of any new role or the re-evaluation of a current role at any school or centrally in the trust must satisfy one of the following requirements when setting the job title and salary range:

- Leadership appointments – leadership scale determined by pay bands within Pay Policy, which were updated in 2023 following an Executive Pay Review.
- Teacher appointments – appointed on the teacher pay scale within the Pay Policy.
- Support staff appointments- matched to a job family from the NCC job families and paid on the support staff pay scale within the Pay Policy (NJC 2023)
- Where neither of the above appropriate – the post must be benchmarked against similar posts in schools and Trusts.

Approval of each post will relate directly to the levels of financial authority delegated in this policy:

Up to £10,000	Principal
£10,001 to £25,000	As above & CFO/Director School Improvement
£25,001 to £50,000	As above & CEO
£50,001 to £100,000	As above & HR/Exec Pay Committee
Over £100,001	As above & Board of Trustees

Payroll Administration

The Trust now manages its payroll service on a platform procured from Access software. All staff are paid monthly by the payroll team. A master file is created for each employee on the Access portal which records:

- salary;
- bank account details;
- taxation status;
- personal details and
- any deductions or allowances payable.

New master files can only be created by the Head of Human Resources with the express approval of the Chief Executive Officer. Any master file amendments made by the Head of Human Resources must be created out each month prior to the payroll run and must be authorised by the Chief Finance Officer.

Time sheet claim forms and travel claim forms are completed the employee. They are authorised by the line manager responsible for the work that has been carried out. A monthly staff return is completed which provides details for all staff sickness and other absences during the month and any new appointments or terminations. The staff return must be authorised by the nominated budget holder. Authorised staff returns should be sent to the Finance Officer who then files the documents with the Payroll officer for payroll processing.

Data input to the payroll system should be undertaken by Finance Officers in the schools and Trust office in accordance with the issued timetable. Before the payroll is processed a copy of all data input should be obtained and this should be checked against source documentation by Finance Officers and then reviewed and agreed by the CFO.

Payments

After the payroll has been processed but before payments are dispatched a print of salary payments by individual and showing the amount payable in total should be obtained from the system. The print must be reviewed and authorised together with authority to release payment by the CFO and the Chief Executive Officer.

All salary payments are made by BACS.

The payroll officer provide a comparison between the current month's and the previous month's gross salary payments showing adjustments made for new appointments, resignations, pay increases etc. This reconciliation should be reviewed by the CFO.

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The payroll system automatically calculates the deductions due from payroll to comply with current legislation. The major deductions are for tax, National Insurance contributions and pensions. This information is provided by Access as part of their contractual responsibility after the payroll has been processed the nominal ledger will be updated. Postings will be made both to the payroll control account and to individual cost centres. The Trust Payroll Officer should review the payroll control account each month to ensure the correct amount has been posted from the payroll system, individual cost centres have been correctly updated and to identify any amounts posted to the suspense account.

On an annual basis the CFO and Head of Human Resources / Payroll officer must check for each member of staff that the gross pay per the payroll system agrees to the contract of employment held on the personnel files.

Special Payments

Special payments are transactions that fall outside the Trust's planned range of activities. They are non-statutory or non-contractual and so are subject to greater control than other payments. They include:

- staff severance payments
- compensation payments
- ex gratia payments

Severance Payments

Special staff severance payments are paid to employees outside of normal statutory or contractual requirements when leaving employment in public service whether they resign, are dismissed or reach an agreed termination of contract. They are different to ex gratia payments. When considering making a staff severance payment the Trust must consider the following issues before making a binding commitment:

- that the Trustees reasonably consider the proposed payment to be in the interests of the Trust
- whether such a payment is justified, based on a legal assessment of the chances of the Trust successfully defending the case at employment tribunal. If there is a significant prospect of losing the case then a settlement may be justified, especially if the costs incurred in maintaining a defence are likely to be high. Where a legal assessment suggests that the Trust is likely to be successful, then a settlement should not be offered
- if the settlement is justified, the Trust would then need to consider the level of settlement. This must be less than the legal assessment of what the relevant body (e.g. an employment tribunal) is likely to award in the circumstances
- Finance committee must be notified if any such payments require their oversight or approval in line with the internal financial delegated authorities

Staff severance payments should not be made where they could be seen as a reward for failure, such as gross misconduct or poor performance. The only acceptable rationale in the case of gross misconduct would be where legal advice is that the claimant is likely to be successful in an employment tribunal claim because of employment law procedural errors. In the case of poor performance, an acceptable comparison would be the time and cost of taking someone through performance management and capability procedures.

The Trust has delegated authority to approve individual staff severance payments provided any non-statutory/non-contractual element is under £50,000 (before income tax and other deductions). The ESFA's prior approval is required for non-statutory/non-contractual payments of £50,000 or more before any binding settlement offer is made to staff, and or where the employee earns over £150,000.

Compensation Payments

Compensation payments are made to provide redress for loss or injury, for example: personal injuries; traffic accidents; or damage to property. When considering making a compensation payment the Trust must base its decision on a careful appraisal of the facts, including legal advice where relevant, and ensure value for money will be achieved. The Trust has delegated authority to approve individual compensation payments provided any non-statutory/non-contractual element is under £50,000, where payment is £50,000 or more the ESFA's prior approval must be obtained.

Ex Gratia Payments

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Ex gratia payments are another type of transaction that go beyond statutory or contractual cover, or administrative rules. Annex 4.13 of *HM Treasury's Managing Public Money* provides examples, which include payments to meet hardship caused by official failure or delay, and payments to avoid legal action on the grounds of official inadequacy. Ex gratia payments are separate to other classes of special payment such as staff severance payments and compensation payments. Statutory and contractual payments made to academy staff in accordance with the Trust's pay and conditions policy would not be ex gratia. Ex gratia transactions must always be referred to ESFA for prior authorisation. HM Treasury approval may also be needed dependent on the nature of the transaction.

21. FIXED ASSETS AND LEASES

Asset register

All items purchased with a value over the Trusts capitalisation limit must be entered in an asset register. The asset register should include the following information:

- asset description
- asset number
- serial number
- date of acquisition
- asset cost
- expected useful economic life
- depreciation
- current book value
- location
- name of member of staff responsible for the asset

The purpose of the Asset Register is to:

- ensure that staff take responsibility for the safe custody of assets;
- enable independent checks on the safe custody of assets, as a deterrent against theft or misuse;
- to manage the effective utilisation of assets and to plan for their replacement;
- help the external auditors to draw conclusions on the annual accounts and the Academy's financial system and
- support insurance claims in the event of fire, theft, vandalism or other disasters.

Security of assets

Stores and equipment must be secured by means of physical and other security devices. Only authorised staff may access the stores. All the items in the register should be permanently and visibly marked as the Trusts property and there should be a regular (at least annual) count by someone other than the person maintaining the register. Discrepancies between the physical count and the amount recorded in the register should be investigated promptly and, where significant, reported to the Board of Trustees/Audit and Risk Committee. Inventories of the Trust's property should be kept up to date and reviewed regularly.

Leases

There are two types of lease:

- operating leases: these do not represent borrowing
- finance leases: these are a form of borrowing

The Trust does not require the ESFA's approval for operating leases except for some transactions relating to land or buildings

In line with the Trust's Funding Agreement, the Trust must seek ESFA's prior approval for the following leasing transactions:

- finance leases on any class of asset for any duration from another party
- taking up a leasehold or tenancy agreement on land or building from another party for a term of seven or more years
- granting a leasehold interest, including a tenancy agreement, of any duration, on land or buildings to

The Trust must ensure that any lease arrangement maintains the principles of value for money, regularity and propriety whether or not ESFA's prior approval is required.

Pooling of General Annual Grant (GAG)

NET do not participate in this practice; however the ESFA do permit pooling of GAG (but not PFI funding) Any pooling of GAG must be approved by the Board of Trustees in the first instance. Where a Principal they have been untreated unfairly by this practice, Principals have a right to appeal to the Board of Trustees. A mechanism is in place where any grievance regarding the pooling of GAG and a Principal feels that their grievance has not been adequately addressed by the Board of Trustees they may appeal to the ESFA, as per the guidance contained in the Academy Trust Handbook.

Loan of Assets

No Loan of assets can be made without express authorisation of the Trust Board

Any change in policy requires the approval of the Board of Trustees.

22. CAPITALISATION & DEPRECIATION OF ASSETS POLICY

Introduction

International Accounting Standard (IAS) 16 defines Fixed Assets as "assets whose future economic benefit is probable to flow into the entity, whose cost can be measured reliably".

The purpose of this policy is to ensure that the Trust's balance sheet correctly reflects the assets and liabilities of Nene Education Trust.

The policy defines the treatment of Non-Current, Current, Tangible and Intangible Fixed Assets. Related procedures are included in the Financial Procedures Manual.

A Fixed Asset Register will be maintained on the Trusts finance file and reconciled to the financial statements of the Trust.

The policy is written in accordance with Accounting Standard FRS15 Tangible Fixed Assets.

Fixed Asset Register

A fixed assets register must be maintained, consisting of a list of items (or specific group of items purchased within the accounting period) valued over £5,000 that are considered to have a life longer than the financial year they were purchased in. Items that fall below the capitalisation limit of £5,000 are recorded in the Trust inventory but will not appear on the balance sheet.

Advice is sought from the auditors as to the best treatment of expenditure, capitalised assets are not necessarily bought on one order; so long as a group of items are purchased within the same accounting period they will be capitalised.

Fixed Assets are categorised as follows:

- a. Land and Buildings
- b. Plant and Machinery
- c. Furniture and Equipment
- d. Computer Equipment and Software
- e. Assets under construction
- f. Property Improvements
- g. Plan and oversee capital projects

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Assets excluded from the Fixed Asset Register are current assets and stock. Current assets include cash and bank balances which are controlled through reconciliation to control accounts on a regular basis.

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The appropriate accounting transactions will be processed for all capitalised assets and recorded on the Fixed Asset Register. Transactions will be recorded within the Fixed Asset Fund account in addition to the transaction to the Balance Sheet.

All items that have been included on the Fixed Asset Register will be security marked, where practicable, as the property of the Trust. Physical counts will be undertaken against the Academy Inventory at regular intervals and the evidence presented to the Audit and Risk Committee /Board of Trustees.

Discrepancies between the physical count and the registers are investigated promptly by the Chief Finance Officer. Any discrepancies in Academy Inventory over the value of £500 are reported to the Audit Committee /Board of Trustees.

All disposals of assets are recorded in the Fixed Asset Register and the appropriate transactions recorded through the financial statements.

All working papers for the purchase of Assets, including invoices, will be retained.

Depreciation

Non-Current Assets are to be depreciated to reflect the recoverable amount in the financial statements, over the useful life of the asset.

The depreciation charge will be calculated on an annual basis for preparation of the year end accounts. A full year's depreciation charge is made in the year of acquisition and none in the year of disposal.

Groups of assets will use the same method of depreciation. There may very occasionally be an asset that does not completely fit into one of the categories below and the Finance Committee /Board of Trustees will discuss these items on an individual basis.

ASSET GROUP	DEPRECIATION METHOD
Land	No depreciation
Buildings and Building modifications	2% (50yrs) Straight line
Plant and Machinery	20% (5yrs) Straight line with nil residual value
Furniture and Equipment	10% (10yrs) Straight line with nil residual value
Computer Equipment and Software	25% (4yrs) Straight line with nil residual value
Assets Under Construction	These are not depreciated until the asset is brought into use.
Motor Vehicles / Minibuses	20% (5yrs) Straight line with nil residual value
Property Improvements	10% (10yrs) Straight line with nil residual value

The expected useful life of all assets will be assessed prior to depreciation calculations and recorded in the Fixed Asset Register.

Any change in policy requires the approval of the Board of Trustees.

23. ACQUISITION AND DISPOSAL OF ASSETS POLICY

Nene Education Trust must seek and obtain prior written approval from the ESFA for the following transactions:

- acquiring a freehold of land or buildings
- disposing of a freehold of land or buildings and
- disposing of heritage assets beyond any limits set out in the Trust's funding agreement in respect of the disposal of assets generally. Heritage assets are assets with historical, artistic, scientific, technological, geophysical or environmental qualities that are held and maintained principally for their contribution to knowledge and culture, as defined in applicable financial standards.

Other than land, buildings and heritage assets, the Trust can dispose of any other fixed asset without the approval of the ESFA. The Trust must ensure that any disposal achieves the best price that can reasonably be obtained, and maintains the principles of regularity, propriety and value for money. This can involve public sale where assets have residual value.

For the purpose of this policy, 'assets' shall be fittings, furniture, equipment, apparatus, books and other materials originally purchased for the purpose of running the Trust's schools and having an original individual value of £5,000 or more.

It shall be the responsibility of the appropriate Curriculum Lead or Budget Manager to identify any such assets which are surplus to requirements.

The Curriculum Lead or Budget Manager shall identify surplus assets to the Chief Finance Officer who upon endorsing the identification shall recommend disposal to the Principals.

An asset with a carrying amount (cost less accumulated depreciation) above £2,000 must be approved by the Board of Trustees / Finance Committees. Where possible surplus assets shall be sold in a safe environmentally friendly manner, the best possible price being sought, and the destination of surplus assets shall be noted in the Asset Register.

Equipment is not normally disposed to staff because it is difficult to provide evidence that value for money in the sale or scrapping of the equipment is achieved. If computer equipment is disposed of, licences for software programmes must be legally transferred to the new owner. Pecuniary Interests must also be considered at all times.

Any change in policy requires the approval of the Board of Trustees.

24. FRAUD POLICY

Nene Education Trust is committed to ensuring that it acts with integrity and has high standards of personal conduct. Everyone involved with the Trust has a responsibility in respect of recognising a potential fraud, preventing and detecting fraud. The Trust also recognises the role of others in alerting them to areas where there is suspicion of fraud.

The Trust must notify the ESFA, as soon as is operationally practical based on its particular circumstances, of any instances of fraud or theft exceeding £5,000 individually, or £5,000 cumulatively in any financial year. Any unusual or systematic fraud, regardless of value, must also be reported. The following information is required:

- full details of the event(s) with dates
- the financial value of the loss
- measures taken by the Trust to prevent recurrence
- whether the matter was referred to the police (and why if not) and
- whether insurance cover or the risk protection arrangements have offset any loss.

The ESFA will not tolerate fraud. It reserves the right to conduct or commission its own investigation into actual or potential fraud, theft or irregularity, in any academy Trust, either as the result of a formal notification from the Trust itself or as the result of other information received. The ESFA may involve other authorities, including the police as appropriate. The ESFA will publish reports about its investigations and about financial management and governance reviews at academy Trusts in line with its own policy on publishing information. The ESFA also publishes guidance on reducing the risk of financial irregularities. Trusts should refer to this information, and to the findings from ESFA's investigation reports as part of its risk management approach.

It is the duty of all staff and Members/Trustees to take reasonable steps to limit the possibility of corrupt practices, and to take advice from the Audit & Risk Committee, internal and external auditors on the adequacy of the measures taken by the Trust to ensure financial compliance.

Fraud is a general term covering theft, deliberate misuse or misappropriation of assets or anything that leads to a financial advantage to the perpetrator or others upon whose behalf he or she acts, even if these “others” are in ignorance of the fraud. Fraud is in fact intentional deceit and for this reason it cannot include negligence.

Fraud incorporates theft, larceny, embezzlement, fraudulent conversion, false pretences, forgery, corrupt practices and falsification of accounts.

Corruption is defined for the purpose of this code as the offering, giving, soliciting or acceptance of an inducement or reward which may influence the actions taken by Nene Education Trust, its staff or Members/Trustees/LC Members.

Irregularities fall within the following broad categories, the first three of which are criminal offences:

- **Theft** – the dishonest taking of property belonging to another person with the intention of depriving the owner permanently of its possession;
- **Fraud** – the intentional distortion of financial statements or other records by persons internal and external to the Academy, which is carried out to conceal the misappropriation of assets or otherwise for gain;
- **Bribery and corruption** (Gifts & Hospitality – see separate policy) – involves the offering or the acceptance of a reward, for performing an act, or for failing to perform an act, which leads to gain for the person offering the inducement;
- **Failure to observe**, or breaches of, Scheme of Delegation and Financial Regulations;
- **Failure to observe**, or breaches of, financial procedures which in some circumstances can constitute an irregularity, with potential significant financial consequences.

If in any doubt about whether a matter is an irregularity or not, staff must refer to the Chief Executive Officer or Chief Finance Officer.

Any change in policy requires the approval of the Board of Trustees.

25. WHISTLEBLOWING POLICY

The Board of Trustees is committed to the highest possible standard of operation, probity and accountability. In line with that commitment, employees and others with serious concerns about any aspect of the Trust's work are encouraged to come forward and voice those concerns. The Trust will ensure that all concerns raised are responded to in a fair manner. The whistleblowing policy makes it clear that employees can do so without fear of reprisals; it is intended to encourage and enable employees to raise serious concerns within the Trust rather than overlooking a problem or alerting anyone external to the Trust. It is recognised that cases may have to proceed on a confidential basis. The Whistleblowing Policy is communicated to all employees upon induction and is available through schools' notice boards and **must** be published on websites.

If employees have any genuine concerns related to suspected wrongdoing or danger affecting any of our activities (a whistleblowing concern) he/she should report it under this policy. All employees have the right to raise concerns, which could be about the actions of other employees, private contractors, Trustees or volunteers. The procedure for raising a concern is described in detail in the policy (Appendix B).

Whistleblowing is the disclosure of information which relates to suspected wrongdoing or dangers at work. This may include:

- criminal activity;
- miscarriages of justice;
- danger to health and safety;
- damage to the environment;
- failure to comply with any legal or professional obligation or regulatory requirements;
- bribery;
- financial fraud or mismanagement;
- negligence;

- breach of our internal policies and procedures
- conduct likely to damage our reputation;
- unauthorised disclosure of confidential information;
- examination fraud
- deliberate concealment of any of the above matters.

Before initiating the procedure employees should consider the following:

- the responsibility for expressing concerns about unacceptable practice or behaviour rests with all employees;
- employees should use line manager or team meetings and other opportunities to raise questions and seek clarification on issues which are of day-to-day concern;
- whilst it can be difficult to raise concerns about the practice or behaviour of a colleague, employees must act to prevent an escalation of the problem and to prevent themselves being potentially implicated.

26. THE REGULATOR AND INTERVENTION

Where ESFA has concerns about financial management and/or Governance at an Academy trust, it may wish to obtain from third parties' information of documentation about the trust which ESFA considers relevant for the purposes of its investigation. Academy trusts must provide ESFA with written authority giving permission for any third party to provide such information and documentation to ESFA or its agents in requests of ESFA

Where the ESFA has concerns about the financial management and Governance of the trust it may issue and publish a Notice to Improve (NTI),

Cyber crime

The trust regularly reviews its exposure to the potential risk of cyber crime working with its IT partner EasiPC to ensure proportionate controls and actions to mitigate risks are in place, to include appropriate actions where a cyber incident has occurred

EasiPC regularly reviews and advises on the levels of accessibility staff have to the system and all other areas where potential breaches of IT security are likely.

A termly review of service provision is required under the terms of the IT contract and a review of Trust and National cybercrime incidents and necessary mitigation is a key agenda item.

The specification of the Trusts IT network now includes Schools Data Synchronisation which ensures all possible breach points through unauthorised email accounts, unauthorised software and out of date server links are shut down.

Double authentication of access to email accounts is now part of the essential specification for our IT Network.

Permission must be sought from the ESFA where a ransom demand is made.

Any change in policy requires the approval of the Board of Trustees.

Appendix A: The Seven Principles of Public Life from the Report of the Committee for Standards in Public Life (The Nolan Report)

Selflessness

Holders of public office should take decisions solely in terms of the public interest. They should not do so in order to gain financial or other material benefits for themselves, their families or their friends.

Integrity

Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that may influence them in the performance of their official duties.

Objectivity

In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.

Accountability

Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.

Openness

Holders of public office should be as open as possible about all their decisions and the actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.

Honesty

Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.

Leadership

Holders of public office should promote and support these principles by leadership and example.

Appendix B Nene Education Trust Whistleblowing Policy

1. Purpose

- 1.1 To set out the Board of Trustees (Board) policy and procedure for dealing with concerns raised by employees except; allegations of child abuse against teachers and other staff and volunteers which will be dealt with under the “Managing Allegations Against Teachers and Other Staff Policy”.

2. Background

- 2.1 As employees are often the first to realise that there may be something wrong within the Academy, it is important that they feel able to express their concerns without fear of harassment or victimisation. Otherwise they may find it easier to ignore the concern rather than report it. The Public Interest Disclosure Act (in force since January 1999) recognises this fact and is designed to protect employees, who make certain disclosures of information in ‘the public interest’, from detriment and/or dismissal. This policy builds on the provisions of the Act.
- 2.2 The BoT is committed to the highest possible standard of operation, probity and accountability. In line with that commitment, employees and others with serious concerns about any aspect of the Academy's work are encouraged to come forward and voice those concerns. This policy document makes it clear that employees can do so without fear of reprisals; it is intended to encourage and enable employees to raise serious concerns within the Academy rather than overlooking a problem or alerting anyone external to the Academy. It is recognised that cases may have to proceed on a confidential basis.
- 2.3 This policy does not form part of any employee’s contract of employment and it may be amended at any time.

3. Aims and Scope of the Policy

- 3.1 This policy aims to:
- provide avenues for employees to raise concerns internally as a matter of course, and receive feedback on any action taken;
 - provide for matters to be dealt with quickly and appropriately; and ensure that concerns are taken seriously;
 - reassure employees that they will be protected from reprisals or victimisation for whistleblowing in good faith;
 - allow employees to take the matter further if they are dissatisfied with the Board's response.
- 3.2 This policy explains how any Academy employee can raise any concerns s/he may have about working practices and who should be informed about the concerns. It may be that issues raised via this policy will be addressed via other procedures, e.g. anti-fraud and corruption, grievance, disciplinary, harassment and child protection procedures.
- 3.3 A **whistleblower** is a person who raises a genuine concern relating to the matters below. If employees have any genuine concerns related to suspected wrongdoing or danger affecting any of our activities (a whistleblowing concern) he/she should report it under this policy. **Whistleblowing** is the disclosure of information which relates to suspected wrongdoing or dangers at work. This may include:
- (a) criminal activity;
 - (b) miscarriages of justice;

- (c) danger to health and safety;
- (d) damage to the environment;
- (e) failure to comply with any legal or professional obligation or regulatory requirements;
- (f) bribery;
- (g) financial fraud or mismanagement;
- (h) negligence;
- (i) breach of our internal policies and procedures
- (j) conduct likely to damage our reputation;
- (k) unauthorised disclosure of confidential information;
- (l) examination fraud
- (m) the deliberate concealment of any of the above matters.

3.4 Before initiating the procedure employees should consider the following:

- the responsibility for expressing concerns about unacceptable practice or behaviour rests with all employees;
- employees should use line manager or team meetings and other opportunities to raise questions and seek clarification on issues which are of day-to-day concern;
- whilst it can be difficult to raise concerns about the practice or behaviour of a colleague, employees must act to prevent an escalation of the problem and to prevent themselves being potentially implicated.

3.5 All employees have the right to raise concerns, which could be about the actions of other employees, private contractors, Trustees or volunteers.

3.6 Concerns raised by employees about their own conditions of service, should be addressed via the Academy's Grievance Procedure or, if the matter relates to salary, the salary review procedures documented in the Academy's pay policy.

4. Safeguards

4.1 Harassment or Victimisation

4.1.1 The BoT recognises that the decision to report a concern can be a difficult one to make, not least because of the fear of reprisal from those responsible for the malpractice. The Board will not tolerate harassment or victimisation and will take action to protect employees when they raise a concern in good faith.

4.1.2 This does not mean that if an employee is already the subject of internal procedures such as disciplinary or redundancy, that those procedures will be halted as a result of that employee raising a concern under the whistleblowing policy.

4.2 Confidentiality

4.2.1 We hope that staff will feel able to voice whistleblowing concerns openly under this policy. The Board will make every effort to protect an employee's identity if confidentiality is requested. However, it must be understood that should the concern raised need to be addressed through another procedure, e.g. disciplinary procedures, the employee may be asked to provide a signed statement as part of the evidence, thus revealing identity. Failure to provide such a statement may mean that further action cannot be taken by the Board to address the concern and in some circumstances, the Board may have to disclose the identity of the employee without their consent, although this will be discussed with the employee first.

4.3 Anonymous Allegations

4.3.1 Employees are encouraged to put their name to an allegation. Allegations expressed anonymously are much less powerful and more difficult to address, but they will be considered at the discretion of the Board. In exercising the discretion, the factors to be taken into account would include:

- the seriousness of the issues raised;
- the credibility of the concern; and
- the likelihood of confirming the allegation from attributable sources.

4.4 Untrue Allegations

4.4.1 If an employee makes an allegation in good faith, but it is not confirmed by the investigation, no action will be taken against that employee. If, however, we conclude that an employee has made malicious or vexatious allegations, or with a view to personal gain disciplinary action may be taken against that employee.

4.5 Unfounded Allegations

4.5.1 Following investigation, allegations may be confirmed as unfounded. This outcome will be notified to the employee who raised the concern, who will be informed that the BoT deems the matter to be concluded and that it should not be raised again unless new evidence becomes available

4.6 Support to Employees

4.6.1 It is recognised that raising concerns can be difficult and stressful. Advice and support will be made available, as appropriate, to both the employee(s) raising the concerns and the employee(s) subject to investigation.

5 How to raise a Concern

5.1 As a first step, an employee should normally raise concerns with their immediate manager or their manager's superior. This depends, however, on the seriousness and sensitivity of the issues and who is involved. For example, if an employee believes that their immediate manager or their manager's superior is involved, s/he should approach the Chief Executive Officer or Chair of Trustees. An employee (including the Chief Executive Officer and Members of the leadership team) can by-pass the direct management line and the Board if s/he feels the overall management and BoT of the Academy is engaged in an improper course of action. In this case please refer to section 7 below.

5.2 Concerns are better raised in writing. The employee should set out the background and history of the concerns, giving names, dates and places where possible, and the reasons why s/he is particularly concerned about the situation. If an employee does not feel able to put the concern in writing, s/he should telephone or meet the appropriate person. It is important that, however the concern is raised, the employee makes it clear that s/he is raising the issue via the whistle-blowing procedure.

5.3 The earlier an employee expresses the concern, the easier it is to take action.

5.4 Although an employee is not expected to prove the truth of an allegation, s/he will need to demonstrate to the person contacted that there are sufficient grounds for the concern.

5.5 In some instances it may be appropriate for an employee to ask their trade union to raise a matter on their employee's behalf.

5.6 At each meeting under this policy the employee may bring a colleague or trade union

representative. The companion must respect the confidentiality of the disclosure and any subsequent investigation.

The Role of Senior Managers

- 6.1 A senior manager may be informed by an employee about concern(s) and that s/he is "blowing the whistle" within the procedure in person; or in writing or over the phone.
- 6.2 The senior manager should respond immediately by arranging to meet with the employee to discuss the concern(s) as soon as possible.
- 6.3 Stage One:
- 6.3.1 At the initial meeting the senior manager should establish that:
- there is genuine cause and sufficient grounds for the concern; and
 - the concern has been appropriately raised via the Whistleblowing Policy.
- 6.3.2 The senior manager should ask the employee, to put their concern(s) in writing, if s/he has not already done so. If the employee is unable to do this the senior manager will take down a written summary of his/her concern/s and provide him/her with a copy after the meeting. The senior manager should make notes of the discussions with the employee. The employee's letter and/or senior manager's notes should make it clear that the employee is raising the issue via the whistle-blowing procedure and provide:
- the background and history of the concerns; and
 - names, dates and places (where possible); and
 - the reasons why the employee is particularly concerned about the situation.
- 6.3.3 The employee should be asked to date and sign their letter and/or the notes of any discussion. The senior manager should positively encourage the employee to do this, as a concern expressed anonymously is much less powerful and much more difficult to address, especially if the letter/notes become evidence in other proceedings, e.g. an internal disciplinary hearing.
- 6.3.4 The senior manager should follow the policy as set out above and in particular explain to the employee:
- what steps s/he intends to take to address the concern;
 - how s/he will communicate with the employee during and at the end of the process; and
- that a written response will be sent out within ten working days.
- that their identity will be protected as far as possible, but should the investigation into the concern require the employee to be named as the source of the information, that this will be discussed with the employee before their name is disclosed;
 - that the Board will do all that it can to protect the employee from discrimination and/or victimisation;
 - that the matter will be taken seriously and investigated immediately; and
 - that if the employee's concern, though raised in good faith, is not confirmed by the investigation, no punitive action will be taken against them.
- 6.3.7 The senior manager should explain to the employee, as a matter of fact, that:

- if clear evidence is uncovered during the investigation that s/he has made a malicious or vexatious allegation, disciplinary action may be taken against them; and
- the investigation may confirm their allegations to be unfounded in which case the BoT will deem the matter to be concluded and s/he will be expected not to raise the concern again, unless new evidence becomes available.

6.4 Stage Two:

- 6.4.1 Following the initial meeting with the employee, the senior manager should consult with the Chief Executive Officer or chair of Trustees to determine whether an investigation is appropriate and, if so, what form it should take. A record should be made of the decisions and/or agreed actions.
- 6.4.2 It may be necessary, with anonymous allegations, to consider whether it is possible to take any further action. When making this decision, senior managers should take the following factors into account:
- the seriousness of the issue(s) raised;
 - the credibility of the concern(s); and
 - the likelihood of confirming the allegation(s) from attributable sources.
- 6.4.3 In some cases, it may be possible to resolve the concern(s) simply, by agreed action or an explanation regarding the concern(s), without the need for further investigation. However, depending on the nature of the concern(s) it may be necessary for the concern(s) to:
- be investigated internally;
 - be referred to the police;
 - be referred to the external auditor;
 - form the subject of an independent inquiry.
- 6.4.4 Senior Managers should have a working knowledge and understanding of other Academy policies and procedures, e.g. disciplinary, harassment, child protection procedures, to ensure that concerns raised by employees are addressed via the appropriate procedure/process. Advice is available from the Academy's personnel advisers.

6.5 Stage Three

- 6.5.1 Within ten working days of a concern being received, the manager receiving the concern must write to the employee:
- acknowledging that the concern has been received;
 - indicating how they propose to deal with the matter;
 - giving an estimate of how long it will take to provide a final response; and/or
 - telling the employee whether any initial enquiries have been made; and
 - telling the employee whether further investigations will take place, and if not why not; and/or
 - letting the employee know when s/he will receive further details if the situation is not yet resolved; and
 - providing the employee with details of whom to contact should s/he be dissatisfied with this response (see 7.1 below).

7. Raising Concerns outside the Academy

7.1 The aim of this policy is to provide an internal mechanism for reporting, investigation and remedying any wrongdoing in the workplace. In most cases the employee should not find it necessary to alert anyone externally. The law recognises that in some circumstances it may be appropriate for the employee to report his/her concerns to an external body such as a regulator. It will very rarely if ever be appropriate to alert the media. Employees are strongly encouraged to seek advice before reporting a concern to anyone external. If an employee is not satisfied with the BoT's response, the manager should ensure that s/he is made aware with whom s/he may raise the matter externally:

- 'Public Concern at Work' <http://www.pcaw.co.uk>
tel no 0207 404 6609*;
- recognised trade union;
- a senior LA officer ;
- the external LA Auditor;
- relevant professional bodies or regulatory organisations;
- a solicitor;

7.2 The manager should stress to the employee that if s/he chooses to take a concern outside the Academy, it is the employee's responsibility to ensure that confidential information is not disclosed, i.e. confidential information, in whatever format, is not handed over to a third party.

* *Public Concern at Work is a registered charity that employees can contact for advice to assist them in raising concerns about poor practice at work. The charity also provides advice to employers as to the possible ways to address these concerns.*

8. Monitoring and Review

8.1 The Principal will be responsible for monitoring the implementation and effectiveness of this policy. The policy will be reviewed by the Board as necessary.

Appendix C



Record of Self Employed Status Form

It is a requirement of Nene Education Trust that we confirm you are responsible for your own tax before we pay you.

Name:- _____

Address:- _____

NI Number:- _____

VAT Registered (Y/N) Yes _____ No _____

Vat No:- _____

Declaration

I declare that I am registered with the Inland Revenue as being self-employed. I agree that it will be my responsibility to inform the Inland Revenue of any payment that I receive from Nene Education Trust and I will notify the school should my employment status change.

Signed:- _____

Date:- _____

Appendix D NENE EDUCATION TRUST SUMMARY PROCEDURES

Financial Year of the Trust

The Financial year in the Trust runs for 12 months from 1st September to 31st August.

The Trust Statutory Accounts are produced during September each year. Due to the intensive work demands during September, certain Finance operational issues may be deferred during this month. Normal operations will resume after the annual external audit is carried out usually in the second week of October each year.

Budget management

Background

The main element of each constituent academy income comes from the ESFA (Education & Skills Funding Agency) which is part of the Department of Education.

A Trust Budget is part of a 3 year plan prepared by the Chief Executive Officer and CFO and presented to the Academy Board for approval in May each year and this is then passed to the ESFA for approval.

The annual budget is confirmed by the ESFA in a final funding letter which is received in September each year and it is only after this time that the budget can be allocated to departments during October.

The Budget Allocation

The initial Budget Allocation for each constituent academy will be carried out by Chief Executive Officer and Chief Finance Officer. Each constituent academy budget allocation will be delegated to the Principal.

Faculty Budgets will be allocated in Faculties to the Senior Leaders. They will discuss these budgets with Curriculum Leads.

The Budget proforma will be sent to Senior Leaders in October each year for comment. There is an opportunity to move money between departments centres however there will be no additional money to the total allocated.

All Senior Leaders and Curriculum Leaders are requested to attend a budget meeting where the proposed budget and the SLA will be presented for signed agreement.

Finance staff will enter the Budget on the finance system and set up reporting systems for all cost centres.

Budget Reports

Monthly budget reports will be produced showing a department's cumulative expenditure, comparing this to budget and showing any variances between these elements. PS Financials will show any commitments enabling budget holders to be aware of any outstanding items committed against their budgets.

Budget variance

It is the responsibility of the budget holder to manage the budget and to ensure that the funds available are not overspent. A budget holder cannot exceed the amount allocated to a cost centre. The Finance department will not produce orders where this occurs.

However during the financial year budget amounts can be transferred between cost centres but this will require authorisation from the Principal or Vice Principal on completion of a Budget Reallocation form.

Budget carried forward

At end of August each year any funds remaining in the Budget will not be carried forward into a new financial year except where surpluses have been created by specific donations from sources inside and outside the Academy. e.g. Music Concert or where an agreement is in place to allow carry forward for specific purchases.

Ordering

For all items and services required a formal company order needs to be issued in order to comply with financial regulations.

To create order budget holders must complete an order requisition in full. This should be passed to Finance staff to create an order which they will send out on behalf of the budget holder.

Suppliers will only accept signed official purchase orders.

Any ordering requirements using the internet or electronic methods should be approved by Principals within the academies and processed by means of the academy's credit card. It should be noted that the ordering process above still applies i.e. order requisition form needs to be completed.

In line with the Academy's procurement and Value for Money policies budget holders need to declare on the order requisition proof of price comparisons for all purchases over £500 as evidence of best value.

Where it is proposed to spend over £1,000 on a new project or initiative where no budget exists then a Business Case is required which needs to be approved by both the Principal and Finance Director.

Payroll

Where staff are claiming additional hours or expenses they will need to complete the appropriate forms which must be approved by the relevant manager or budget holder.

The approved forms need to be passed to Finance officers by the deadline each month to ensure that payment is made in time to meet the next payroll.

Regulation

The Financial policies and procedures above are in line with guidelines set out by the ESFA.

The Academy Trust is monitored to ensure that these procedures are being upheld by the following mechanisms:

- Nene Education Trust Audit and Risk Committee
- Internal Audit reports carried out 4 times per year by Internal Auditors
- External Audit in respect of the Annual Accounts
- Education & Skills Funding agency
- Value for Money statement in Annual Accounts