Windsor Academy Trust

APPROVED

Financial Policy Manual 2023 - 2024

Responsible Committees:	Finance Committee Audit and Risk Committee
Date of Committees Approval:	14 September 2023
Date of Board Approval:	21 September 2023
Next Review Date:	September 2024

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- both Committees to consider/review

1 INTRODUCTION

The Trust is an academy created under the provisions of the Academies Act 2010, as amended by the Education Act 2011. Its structure of governance is constituted under the articles of association.

The funding agreements between the Education and Skills Funding Agency (ESFA) and the Trust sets out the terms and conditions on which grant is made. The Board is responsible for ensuring that conditions of grant are met. As part of this process, the Trust is required to have in place sound financial systems and controls. The financial regulations of the Trust form part of this overall system of accountability.

The purpose of this document is;

- To define the responsibilities within the Trust and ensure compliance with statutory requirements
- To provide guidance on the application of statutory regulations and internal controls
- To identify procedures to ensure integrity of internal controls
- To set out guidelines to ensure effectiveness of resources

It sets out the Trust's financial regulations and provides practical guidance in accordance with the requirements outlined in the Academy Trust Handbook (ATH 2023) and the Academies Accounts Direction, and is updated on an annual basis.

The contents table above has two columns that refer to type and responsibility. Sections of the manual are described as either policies or practice. As the financial policy manual is considered by both the Finance Committee and Audit and Risk Committee the policy responsibility column will assist each Committee in focussing on their relevant areas. The Board of Directors has overall responsibility for approving the Financial Policy Manual.

This document includes four separately annexed financial policies. These are shown as Annexes for the following reasons::

Annex	Name	Reason for Annex
Annex B	Contracts and Procurement Policy	Enables focused distribution to responsible officers.
Annex C	Charging and Remissions Statutory Policy	DfE Statutory Policy to aid focused uploading to school websites.
Annex D	Lettings Policy	Enables Policy to be referenced and adopted at a school level.
Annex E	Purchase Card Policy	Enables distribution, signing and return to card holders.

2 WHAT HAS CHANGED FROM THE 2022 FINANCIAL POLICY MANUAL

The key changes to this policy as a direct result of the Academy Trust Handbook 2023 are:

- Section 4 (Related Party Transactions) - introduced a new paragraph to set out the new approval and reporting requirements for related party transactions (reviewed by Audit and Risk Committee)
- Section 5 (Finance Controls) - confirm that the Board is required to approve the 3 year Financial Plan for adoption into the BFR

Other key changes to this policy which are a reflection of ensuring compliance and based on principles of simplification and reducing unnecessary bureaucracy :

- Section 9 (Reserves Policy) - updating the reserve level thresholds to the range of 4%-10% of total GAG income (previously 3%-5%) and providing greater clarity on what reserves are used for.
- Section 16 (Fraud Policy) - providing greater clarity on the process to be followed and the reporting to be carried out when there is an actual or suspected fraud.
- Section 18 (Gifts and Hospitality Policy) - confirming that staff can accept small gifts (under £50) without any reporting requirement but for gifts over the value of £50 must be reported to the Governance professional at the Trust. Limits were previously £25.
- Section 23 (Purchasing and Spending Decisions) - procurement threshold limits have been raised to more manageable levels and to keep pace with inflation in recent years.The limit for seeking 3 quotes has increased from £10,000 to £15,000 and the tender limit from £50,000 to £60,000.
- Section 24 (Leases) - removing the requirement to complete lease approval forms in light of recent ESFA changes and the use of the procurement approval form the lease is the method of delivery.
- Section 23 (Contracts and Procurement policy) - removal of the requirement to complete a Procurement Needs Form prior to any large procurement exercise, given the introduction of the Contract Tracker.

Other changes relate to updates made in relation to practical experience from the prior period and changes for cosmetic and simplification.

3 ROLES AND RESPONSIBILITIES

Detailed information is set out in the ATH 2023 regarding the financial roles and responsibilities within a Trust, including those of the Accounting Officer and the Chief Financial Officer (CFO) with the key responsibilities set out below. The ATH 2023 states that the Accounting Officer and the CFO should be employees of the Trust and if they are not then approval from the ESFA is required.

The overall roles and responsibilities within the Trust are contained within its Scheme of Delegation (SOD. The Scheme of Financial Delegation (SOFD) is set out in Annex A

It is the role of **Members** to appoint external auditors and receive the audited statutory accounts.

The **Directors** have the statutory responsibility for the oversight of the financial management and sustainability of the Trust, ensure regularity and propriety in use of the trust's funds and its ability to operate as a going concern.

The role of the Board of Directors is to oversee and ensure effective financial performance and includes:

- Approving the budget
- Receiving the management accounts and other key financial reports (Approving the annual accounts
- Determining the terms of reference for all Committees including the Local Advisory Bodies.

The role of the **Finance Committee** is set out in the Terms of Reference approved by the Board of Directors and includes:

- Recommending the annual budget for approval by the Directors and monitoring financial performance.
- Maintaining oversight of the Trust's financial systems
- Maintaining oversight and approval of regulatory returns
- Overseeing the use of the Trust's capital grant and other large contracts
- Reviewing and maintaining finance policies

The role of the **Audit and Risk Committee** is set out in the Terms of Reference approved by the Board of Directors and includes:

- Ensuring the annual report and financial statements are produced in accordance with the Companies Act 2006, Charity Commission's Statement of Recommended Practice (2015) and the ESFA guidance issued to academies
- Agreeing the annual programme of internal scrutiny work
- Receiving and responding to reports and findings of internal scrutiny and external audit
- Overseeing the Trust's risk management process

The role of the **Academy Local Advisory Body (LAB)** is to have oversight of the Academy's budget, helping to ensure that spending is in accordance with the budget agreed for the Academy by the Trust Board, and that expenditure supports the best possible educational outcomes for the pupils at the academy.

The role of the **Chief Executive Officer (CEO)** is set out in the ATH 2023 and the SOD and includes:

- To act as the ESFA's defined "Accounting Officer" for all academies in the Trust.
- To advise the relevant body on the discharge of its responsibilities.
- To ensure the efficient, economical and effective management of the Trust's resources and expenditure, including funds, capital assets and equipment and staff.
- To ensure the maintenance of sound financial controls.
- To ensure that financial considerations are taken fully into account in reaching decisions and in their execution.
- To be responsible for signing, with the Chair of the Board of Directors, the approved budget and annual accounts ensuring they are properly presented and causing records to be maintained relating to the accounts.

The role of the **Chief Financial Officer (CFO)** is set out in the ATH 2023 and the SOD and includes:

- To act as the Trust's Chief Financial Officer in terms of ESFA defined roles and responsibilities.
- To ensure all aspects of academy financial management requirements are implemented, especially in the critical area of periodic reporting of the Trusts financial position to the ESFA/DfE, Companies House and other stakeholders.
- To ensure that the Trust has appropriate financial policies and procedures in place.
- To arrange for all financial activities within the Trust to be fair and honest.
- To be the primary contact for the ESFA for all financial matters.

The role of the **Executive/Academy Headteacher** includes:

- To ensure the efficient, economical and effective management of their academy resources and expenditure, including funds, capital assets and equipment and staff.
- To ensure the maintenance of sound financial controls within their academy/executive budget.
- To ensure that financial considerations are taken fully into account in reaching decisions and in their execution.
- To approve all expenditure as stipulated within the Scheme of Financial Delegation
- To effectively manage and control systems and processes to reduce financial risk.

The role of the **Budget Managers** includes:

- To manage their income and expenditure within the agreed limits, forecasting and notifying their finance contact at the earliest opportunity where this will not be possible.
- Put in place corrective action to manage within agreed resource limits.
- To exercise responsibility for routine control and monitoring of their budget expenditure.
- To proactively manage and inform the Finance Partner/Headteacher of in year and future budget pressures.

- To seek finance team assistance in the planning stage of new processes or plans.

The role of the **Head of Finance** includes:

- To provide assistance to the CFO, Directors and Accounting Officer as necessary for the satisfactory completion of their financial responsibilities, including access to all financial documents and accounting systems.
- To ensure all aspects of academy financial management requirements are implemented, especially in the critical area of periodic reporting of the Trusts financial position.
- To provide regular reports of the academy and Trust financial position to the Finance Committee and report variations in the budget.
- To ensure full and complete observance by the financial administrative staff of financial procedures and arrange for these to be amended in the light of changing requirements.
- To arrange for all financial activities within the Trust to be fair and honest, including the identification and management of any novel, contentious or repercussive transactions.
- To oversee banking arrangements and treasury management policies and act as the key administrator for the operation of the on-line banking facilities.
- To effectively manage and control systems and processes to reduce financial risk.

The role of the School Finance Partners includes:

- To support their school and Headteacher in managing the school budgets and financial resources effectively providing guidance and support to the Budget Managers.
- To ensure that expenditure has been committed and payments made in line with this Financial Policy and the Scheme of Delegation.
- Prepare management accounts on a monthly basis for discussion with the Headteacher.

The role of the **Head of Capital Investment and Commercial Finance** includes:

- To financially lead and manage the capital investment, special projects and commercial finances.
- To undertake financial modelling and analysis of demand and need for products and services within the organisation, contributing to the development of a deliverable business model.
- Ensure best value for money, aggregated benefits and efficiencies on a wide range of strategic priorities that drive growth, development and innovation.
- To ensure all aspects of the Trust’s statutory financial reporting requirements (ESFA/DfE, Companies House, HMRC (for VAT) and other stakeholders are met.

The role of the **Principal Accountant** includes:

- To lead on the year-end external audit process.
- To manage and coordinate the financial requirements of internal scrutiny and assurance
- To lead on the preparation and submissions of annual returns to the ESFA and the monthly VAT return.
- To lead on the development of financial policies.

4 RELATED PARTY TRANSACTIONS

The Trust will comply with all statutory and regulatory requirements regarding related party transactions and will maintain a register of business and pecuniary interests, in accordance with the ATH 2023.

All Directors, LAB members and staff with significant influence 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 by completing a declaration of interests.

The Governance Professional in line with the requirements of the ATH 2023 will ensure that registers of interests are maintained and ensure publication on the Trust websites.

The Declaration of Business and Pecuniary Interest should be made at the beginning of the academic year/on appointment and at each formal governance meeting with appropriate action taken by the Chair. All declarations made at the meeting should be and are recorded in the minutes. The declaration also covers any activity in the previous 12 months.

Following the release of the ATH 2023 approval is required for all new related party transactions of an individual value in excess of £40,000 (previously £20,000 cumulatively in a financial year). The ATH 2023 also introduced the requirement that related party contracts that were being renewed as well as new related party transactions under this threshold must be reported to the ESFA (but not to seek approval). The reporting to the ESFA will be carried out using the ESFA IDAMS portal.

Further information is contained within Annex B of the Contracts and Procurement Policy.

5 FINANCIAL CONTROLS

The ATH 2023 sets out clearly in its Control Framework the requirement for Trusts to have sound internal control, risk management and assurance processes. This framework is set out below and cross-referenced with the relevant sections in this document:

Control Framework:

- ensure delegated financial authorities are complied with (Section 3)
- maintain appropriate segregation of duties (Section 3)
- apply discipline in financial management, including managing debtors, creditors, and monthly bank reconciliations (Section 5)
- coordinate the planning and budgeting process (Section 6)
- ensure appropriate management and risk management of trust funds (Section 8)
- ensure a risk register is maintained and reviewed by the board drawing on advice provided to it by the audit and risk committee (Section 10)
- manage and oversee assets, and maintain a fixed asset register (Section 13)
- plan and oversee capital projects (Section 15)
- reduce the risk of fraud and theft (Section 16)
- ensure regularity, propriety and value for money in the organisation’s activities (Section 17-23)
- deliver independent checking of controls, systems, transactions and risks (Section 26 and 27)

Budgets and Authority Levels

The Directors shall oversee the Trust finances through:

- The approval and implementation of an annual budget based on the aims, objectives and priorities of the Trust, the financial position of the Trust (and individual academies) and the levels of projected reserves.
- The approval of a medium term Financial Plan of at least 3 years, updated annually.
- Annually reviewing and approving a Scheme of Financial Delegation (SOFD.)

The Board of Directors has delegated responsibility for routine control to the Finance Committee. The SOFD sets out delegated authorities, it can be found at ***Annex A***.

Insurance

The Trust shall have in place adequate insurance cover in compliance with its legal obligations, including buildings and contents, business continuity, employers’ and public liability, vehicle insurance and other insurance as may be required. Cover is provided by the Government’s Risk Protection Arrangement (RPA).

Purchasing and invoice approval

The Trust shall maintain a policy of achieving value for money for all goods and services purchased. Finance Teams shall keep records of all purchases made including quotations received but not accepted, all purchases should be made through the financial ordering systems.

Value for Money will be applied using the four principles:

- Challenging how a service or supply is provided and why it is required
- Comparing performance with other schools
- Consulting with relevant stakeholders
- Competing as a means of securing efficient and effective services and supplies.

Purchase Order Requisitions (POR) should be completed by staff (authorised by management to prepare a POR) and authorised by Budget Holders. In general, PORs are raised for all appropriate expenditure, unless there is already an underlying signed contract for goods or services in place or there is an exception covered by an existing policy (e.g. Purchase Card Policy). A POR is authorised at the point that a member from the Finance Team has entered the POR onto the Trusts' accounting system and a Purchase Order number has been generated. Invoices will be approved by the designated Budget Manager.

If a Budget Manager (in exceptional circumstances) has had to both prepare and authorise the POR and has goods received or authorised the invoice, whilst there is no segregation of duties the risk is removed because all PORs are thoroughly checked by the Trust's finance team prior to raising an authorised purchase order.

Where an authorised purchase order has been raised then subject to the goods and services being goods received and the invoice matching the purchase order then the invoice can be processed without further budget manager approval.

Internal Controls – Purchasing

Internal delegations for claims, raising PORs and approving payments are set out in the table below as follows:

	Trust	**Secondary Schools**	**Primary Schools**
Expenses forms	Member of Executive Team, Budget Holder	Headteacher, Budget Holder	Headteacher, Budget Holder
Overtime claim forms	Member of Executive Team, Budget Holder	Headteacher, Budget Holder	Headteacher, Budget Holder
Purchase Order Requisitions (see below)	Member of Executive Team, Budget Holder	Headteacher, Budget Holder	Headteacher, Budget Holder
Invoice approval (see below)	Member of Executive Team, Budget Holder	Headteacher, Budget Holder	Headteacher, Budget Holder

Internal Controls - BACS payments

The following BACS authorisation process applies to schools and WAT Central.

	Amounts <£1,000	**Amounts £1,000-£499,999**	**Amounts £500,000 and over**
BACS payment schedules Prepared by	Finance Officer		

BACS payment schedules Authorised by	Finance Transaction Team Coordinator		
Authorised in online banking system (currently CBO)	Any 1 of: ● Head of Finance ● Principal Accountant ● Director of Operations ● CFO	Any 2 of: ● Head of Finance ● Principal Accountant ● Director of Operations ● CFO	**CFO** Plus any 1 of: ● Head of Finance ● Principal Accountant ● Director of Operations

Financial reporting requirements

Frequency	Reports	Authorisation & reporting
Month End Process		
Monthly	Payroll reconciliations	Prepared by the School Finance Partner and authorised by Head of Finance
Monthly	Bank account reconciliations	Prepared by the Finance Officer and authorised by the Finance Transactional Team Leader.
Monthly	Management Accounts	Prepared by the School Finance Partner and issued to the Headteacher (schools) or CEO (Centre)
Monthly	Consolidated Trust Management Accounts Pack	Prepared by the Head of Finance Reviewed by the CEO Issued to the Chair of the Board of Directors, Chair of Finance Committee, CFO and CEO each month by the Head of Finance Issued to the Board when they meet through the CEO Report
Budget Process		
Annually	Annual Budget	Prepared by the School Finance Partner . Reviewed by the Headteacher (schools) Prepared by the Head of Finance. Reviewed by the CFO and CEO Presented to the Finance Committee for recommendation to the Board of Directors for approval .
Annually	3 Year Financial Plan	Prepared by the Principal Accountant. Reviewed by the CFO, Head of Finance and CEO. Presented to the Finance Committee for recommendation to the Board of Directors for approval and adoption into the BFR.

Annually	ESFA Budget Forecast Return (BFR) completed in accordance with the approved 3 Year Financial Plan.	Prepared by the Principal Accountant. Reviewed by the CFO
External Audit and Internal Scrutiny		
Annually	Internal/External Audit Reports	Audit and Risk Committee
Annually	Statutory Accounts	Presented to the Finance Committee and Audit and Risk Committee and recommended to the Board of DirectorsStatutory Bodies

6 BUDGETARY PLANNING AND CONTROL

Organisational structure

Board of Directors	● Approve Annual Budget ● Approve the 3 Year Financial Plan and its adoption into the ESFA Budget Forecast Return (BFR)
Finance Committee	● Propose and recommend Annual Budget to Board of Directors ● Propose and recommend the 3 Year Financial Plan to Board of Directors.
CEO CFO	● Agree Provisional Annual Budget and 3 Year Financial Plan
Head of Finance, Headteacher, School Finance Partner	● Propose Draft Annual Budget to CEO and CFO
School SLT, Budget Holders, School Staff	● Propose budget requirements to Headteacher/School Finance Partner

Budget planning

The budget is separated into distinct and manageable categories consistent with statutory reporting requirements. Information from the current financial year and known commitments are collated by Finance Partners for review with the Headteacher to create the initial draft budget. Budget Managers have the ability to feed into this process by discussing their requirements with the Headteacher/Finance Partner.

It is in a Budget Manager’s interest to provide detailed information relating to requests.

The draft budget will be finalised with the Headteacher and School Finance Partner, then go forward via the Head of Finance to the CEO and CFO, for scrutiny and review prior to proposal to the Finance Committee.

The Finance Committee will recommend the budget to the Board of Directors for final approval. This will become the Approved Budget for the forthcoming financial year and be used as the basis for external statutory reporting requirements (e.g. to the ESFA).

The Budget Managers will control expenditure in their cost centres. These operating budgets must be prepared within the context of the School Improvement Plan.

A clear statement of the assumptions supporting the budget must be maintained by the School Finance Partner and Head of Finance and form the basis for regular updates to the Headteacher throughout the year.

The Head of Finance (budget) and the Principal Accountant (Financial Plan) are responsible for documenting clearly the assumptions used and together with the CFO ensuring that they are realistic. Sensitivity analysis should be applied against the assumptions used in the Financial Plan.

Setting a budget

Directors must approve a balanced budget. This is a budget setting out projected income and expenditure drawing on unspent funds from previous years as necessary. Directors must notify the ESFA within 14 calendar days of its meeting if the Trust is proposing to set a deficit revenue budget for the current financial year, which it cannot address after taking into account reserves from previous years.

Integrated approach to curriculum and financial planning (ICFP)

The Trust will use Integrated Curriculum and Financial Planning models so that Headteachers are confident about planning the best curriculum for their pupils and delivering the trust's educational priorities with the funding that is available. The outputs will feed into the annual budget process.

Budget control and monitoring

Budget Managers have responsibility for routine control and monitoring of expenditure against their budget. Variations to predicted expenditure are investigated by the Finance Partner and if significant, the Headteacher is informed to decide the corrective actions required.

Budget virements

Budgets can be transferred (vired) between nominal ledger codes within each school subject to discussion and approval by the School Finance Partners and Head of Finance for amounts under £25,000. For amounts over £25,000 approval is required by the CFO and by the Finance Committee for amounts over £100,000.

Once a budget virement is approved this becomes the latest approved budget for reporting on.

Review of budget

This process of budget review must be continuous with particular attention paid to projected income and expenditure against the approved budget. Detailed records of historical income and expenditure and any corrective action taken must be maintained as this will be of significant value in future planning. These reports, and in particular the action taken on variances will be regularly reviewed by the Head of Finance. Any further action taken must be clearly documented.

Monthly financial reporting to Directors

On a monthly basis the Head of Finance (following discussion with the CFO & CEO), is responsible for reporting to the Chair of the Board of Directors and the Chair of the Finance Committee the financial performance of the Trust year to date. The Consolidated Management Accounts pack will include management accounts commentary including census pupil numbers information where appropriate, income and expenditure account actual to revised budget (original budget after budget virements), forecast to the end of the year, balance sheet and 12 months' cash flow forecast. Key financial performance indicators will be included and reported on a monthly basis.

Financial planning and ESFA Budget Forecast Return (BFR)

Directors and management must take a long term view of the trust's financial plans consistent with the requirement to submit three-year budget forecasts to the ESFA. The CFO is responsible for ensuring three year financial plans are prepared at the same time as the annual budget and submitted to the Finance Committee for review and recommendation to the Board of Directors for approval. Following approval by the Board of the Annual Budget and Three Year Finance Plan, the adoption into the ESFA Budget Forecast Return (BFR) is undertaken by finance and submitted to the ESFA by the 31 August deadline.

School resource management self-assessment tool (SRMA)

The Trust is required by the DfE/ESFA to complete the self-assessment checklist each year that is presented to the Board of Directors prior to or after submission. This checklist helps Trusts to:

- check they have appropriate financial management and governance arrangements
- check they are meeting the right standards to achieve a good level of financial health and resource management
- identify areas for change to make sure resources are used to support high-quality teaching and the best education outcomes for pupils

The return will be prepared by the Principal Accountant, reviewed by the CFO and approved by the CEO.

7 FINANCIAL CALENDAR

	Census related
	Audit related
	Finance related
	Approvals
	Finance and Governance related

Date	Description	Explanation
1st September	Beginning of new financial year	
1st September	Closedown of previous financial year begins	Statutory requirement
September	Finance Committee Audit and Risk Committee	Finance Policy Manual approved
October	Pupil Count census	Data used for Pupil led funding for the following Financial Year
October/ November	External Audit period	Audit of year end closedown and accounts
November	Finance Committee Audit and Risk Committee	Review and Recommendation of audited accounts
December	Board of Directors	Approval of audited accounts
31st December	Submission of Audited Statutory Accounts to ESFA	Statutory requirement
January	Pupil Spring census	Used for elements of funding allocations.
30 January	Accounts Return (AR)	Submission to ESFA
March	Finance Committee	Approval of Budget Setting assumptions
15th March	ESFA School Resource Management Self-assessment tool (SRMA)	Self-assessment compliance with the ESFA Academy Trust Handbook
31st March	ESFA funding notifications	Funding allocation for the following year received from ESFA
30 April	LGPS Annual Return	Pension Fund requirements

May	Pupil Summer Census	
31st May	Teachers Pensions Return	Teachers pensions EOY certificate to be submitted (audited in September)
31st May	Submission of Audited Statutory Accounts to Companies House	Statutory requirement
June	Finance Committee	Review and recommendation of Budget Plans
June - July	Academy Trust Handbook Published	Sets regulatory responsibilities for forthcoming year
July	Board of Directors	Approval of Budget Plans
August	Budget Forecast Return (BFR)	Submission to ESFA
31st August	End of financial year	

8 TREASURY MANAGEMENT POLICY

The purpose of the policy is to ensure effective management of the Trust's funds, giving consideration to the maximisation of interest and other returns against the statutory responsibility of protecting public funding. The Head of Finance will be responsible for implementing the Treasury Management Policy and managing the Trust's cash balances and investments.

- To regularly monitor cash flow and current account balances to ensure immediate financial commitments can be met (e.g. payroll and payments runs) and that current accounts have adequate balances to meet known commitments over the longer term.

- To maintain a working balance to respond to unexpected financial demands on all accounts

- To identify funds surplus to immediate cash requirements and transfer the funds to an appropriate high deposit interest account.

- To only invest in organisations (banks and building societies) that at the time of investment have a rating of "A" by one of the financial rating agencies: Moody's, Standard and Poor's and Fitch.

- To regularly monitor the ratings of organisations where money is invested, taking any corrective action if they no longer meet "A" rating.

- Each investment is to be individually appraised in relation to the current market rates and length of investment period: with the aim of maximising returns in the shortest period, so as to limit the impact of funds being inaccessible within investments.

Appointment of bankers and other professional advisors

The Board of Directors is responsible for the appointment of the Trust's bankers on the recommendation from the Finance Committee. The Finance Committee is responsible for authorising the use of any other bank for investment purposes on the recommendation from the CFO.

Banking arrangements

The School Finance Partners are responsible for monitoring the school bank balances on a regular basis and taking corrective action in the event that there are issues. No academy bank account should go overdrawn. In the event that a bank account has gone overdrawn the Head of Finance must be informed immediately at which point funds will be transferred from the WAT Central bank account to the academy bank account. When the academy bank account is replenished the funds from WAT Central will be returned.

The CFO is responsible, on behalf of the Finance Committee for liaising with the Trust's bankers in relation to the Trust's bank accounts. The Head of Finance is responsible for liaising day-to-day with the Trust's bankers and acting as the primary contact between the Trust's bankers and the Trust and is responsible for ensuring that up to date bank mandates are in place. Since 1 April 2021 a single trust-wide bank mandate is in place meaning that all academy bank accounts are managed through the one single MAT mandate.

The CFO, Head of Finance and Principal Accountant have full bank administrator rights to the Trust's online banking system (Lloyds Commercial Banking Online). The system is set up with dual administrative authorisation so that any changes must be approved by two administrators.

All bank accounts shall be in the name of the Trust. All BACS transfers on behalf of the academies/trust must be authorised in the appropriate manner as set out in the section on internal delegations (internal controls). The CFO is responsible for ensuring that all bank accounts are subject to regular reconciliation and that large or unusual items are investigated as appropriate.

The CFO, assisted by the Head of Finance, is responsible for maximising the Trust's investment income by approving fund transfers through the Trust's banker's deposit accounts.

Security of cash

It is the responsibility of the CFO and the Academy Headteacher to ensure that any cash held on site is securely stored and in line with the Trust's insurance policy.

9 RESERVES POLICY

This policy explains to the Trust's funders (ESFA), beneficiaries (students and parents) and other key stakeholders (e.g. the Trust's bankers and insurers) why the Trust is holding a particular amount of reserves.

The ESFA sets out the importance of reserves in their publication "operating an academy trust as a going concern" and informs Directors that they must approve a balanced budget, taking into account brought forward reserves. Academy trusts are expected to maintain reserves as they are standalone charitable companies.

Reserves provide a measure of performance of the overall financial viability of the Trust and enables Directors to confirm that the Trust is a "going concern".

Funding from the ESFA is restricted and thus revenue reserves are maintained in separate restricted and unrestricted balances. However, in day-to-day terms, both are considered in aggregate as "free reserves" in managing the overall financial position of the Trust. The free reserves do not include unspent capital grant which is disclosed within the Restricted Fixed Assets Reserve.

Reserves are held as follows:

- To aid the long term financial sustainability of the organisation e.g. supporting the delivery of strategic moves.
- To cover working capital requirements.
- As a contingency to meet unforeseen expenditure.
- To fund significant projects that cannot be met by future income alone.
- To provide stability in consideration of the Financial Plan and use of reserves to meet expenditure commitments in the short and medium term.
- The need to fund potential deficits in a cash budget, for example, where money may need to be spent before funding is raised or received.

This policy will assist in providing financial stability and aid strategic planning. The level of reserves will be kept under review by Directors, assessing them in relation to these purposes. It is recognised that a metric of comparing reserves as a percentage to the level of annual GAG income is a key tool. The use of this metric should not preclude breaching the range set in a single year providing future projections return reserve levels to within the set range The Trust will maintain reserves levels within the range of 4%-10% of total GAG income

School Condition Allocation (SCA)
The School Condition Allocation (SCA) is an annual capital grant from the ESFA, which is strategically deployed to enhance and reduce risk across the estate. In addition to the revenue reserves, up to 20% of the SCA value is held centrally as rolling capital reserves to address potential catastrophic failure or major estate problem, which removes/reduces the pressure on revenue reserves.

Pension Liabilities
Future pension liabilities represent one of the highest risks on the Trust's Risk Register because of the size of the future commitments together with the uncertainty surrounding future employer pension rates associated with defined benefit pension schemes for teachers and professional staff.

The Trust has no decision making over the future payments to the Teachers' Pension Scheme and only some limited decision making with regard to the Local Government Pension Schemes in terms of the timing of the deficit recovery payments. Prudent assumptions must be made in respect of pension payments and effectively built within the Trust's Financial Plan.

Monitoring and Reporting
Reserve levels are regularly monitored and reported to Directors in 3 ways:

- Financial monitoring report to Directors (monthly)
- Annual accounts and covering report to Directors (annually)
- 3-year financial plan and ESFA Budget forecast return (annually)

The CEO is accountable to the Board for the effective management and reporting of reserves in line with this policy.

10 RISK MANAGEMENT

The Trust will continuously manage and monitor risks in accordance with changes in the external and internal environment, and in line with the approved risk management framework and procedure. The Board of Directors maintain oversight of risk and approve the Risk Management Strategy on recommendation from the Audit and Risk Committee and has delegated authority to committees to review and recommend changes to the Risk Register. Directors oversee the strategic risks, risk register and issues log at the Board and Committees meetings.

The Trust's overall risk management plan is aimed at:

- Protecting its pupils/students, staff and assets
- Managing risk in accordance with best practice and reducing the cost of risk
- Anticipating and responding to changing social, environmental, regulatory and legislative requirements
- Raising awareness of the need for risk management
- Integrating risk management into the culture of the Trust
- Adopting legal compliance as a minimum standard

These aims and objectives will be achieved by:

- Establishing and maintaining a risk management organisational structure to act in an advisory and guiding capacity which is accessible to all staff
- Maintaining documented procedures for the control of risk
- Providing suitable information, training and supervision
- Maintaining effective communication and the active involvement of all staff
- Maintaining an appropriate incident reporting and recording system, with investigation procedures to establish cause and prevent recurrence
- Monitoring arrangements on an ongoing basis

The Trust's risk register is used to inform the Trust's programme of internal scrutiny.

11 BASIS OF ACCOUNTING AND FORMAT OF THE FINANCIAL STATEMENTS

The financial statements of the Trust will be in accordance with the Accounts Direction which is based on the Charities SORP (Statement of Recommended Practice) 2015 as amended by Charities SORP (FRS102).

12 FUNDING AND INCOME

The CFO is responsible for ensuring that appropriate procedures are in operation to enable the Trust to receive all income to which it is entitled.

The CFO is responsible for ensuring that information submitted to the DfE and ESFA that affects funding including pupil number returns and funding claims (for both revenue and capital grants) completed by the Trust and by the academies is accurate and in compliance with funding criteria. All capital grant bids will be reviewed by the CEO and by the Chair of the Board and Chair of the Finance Committee for large capital projects (typically values of over £1m).

Levels of charges for services rendered, goods supplied and lettings are set out in the Charges and Remissions Policy. In line with ESFA guidance the fees set will be the chargeable services at full cost but can include an additional rate of return in a commercial environment.

For non-grant income the CFO should ensure that:

- Debtor invoices are raised promptly on official invoices and recorded correctly in the sales ledger;
- VAT is correctly charged where appropriate, and accounted for;
- Monies received are posted to the correct debtors account;
- Swift and effective action is taken to collect overdue debts;
- Outstanding debts are monitored by the academies and appropriate reports prepared for management to propose corrective action;
- Requests for write of debts should be authorised in line with the Scheme of Delegation.

The day-to-day management of the Trust's income at a local level is delegated to the School Finance Partners and Head of Finance.

13 CAPITALISATION AND DEPRECIATION OF ASSETS POLICY

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 policy is to ensure that the academy's balance sheet correctly reflects the assets and liabilities of the Trust.

The policy defines the treatment of Non-Current, Current, Tangible and Intangible Fixed Assets.

A Fixed Asset Register will be maintained foreach academy and then used by the Head of Capital Investment and Commercial Finance to create the depreciation charge and as a record of assets supporting the Trust's financial statements.

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

Fixed Asset Register

The Fixed Asset Register (School Asset Register) consists 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.

Capitalised assets are not necessarily bought on one order; so long as a group of items is purchased within the same accounting period they will be capitalised.

Fixed Assets are categorised as follows:

a. Freehold Land and Buildings
b. Leasehold Land and Buildings
c. Assets Under Construction
d. Plant and Machinery
e. Furniture and Equipment
f. Computer Equipment and Hardware
g. ICT Software and Licences

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 monthly basis.

The appropriate accounting transactions will be processed for all capitalised assets and recorded on the Fixed Asset Register and Trust finance system by the Head of Capital Investment and Commercial Finance.

All disposals of assets are recorded in the Fixed Asset Register and the appropriate transactions recorded on the fixed asset register and Trust finance system by the Head of Capital Investment and Commercial Finance to ensure the financial statements reflect the disposal.

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 will be calculated on an annual basis for preparation of the financial statements. In the year of acquisition, the depreciation will be charged pro rata from the date of acquisition.

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. The CFO will decide, after taking professional advice where required, which method to adopt on an individual basis.

In relation to incomplete buildings works, depreciation is not charged on any assets that are classified as incomplete as at 31 August. The expected useful life of all assets will be assessed prior to depreciation calculations and recorded in the Fixed Asset Register.

ASSET GROUP	DEPRECIATION METHOD
Freehold Land	No depreciation
Leasehold Land	No depreciation
Buildings and Building modifications	Based on UEL – currently 2%-6.7% (50yrs-15 yrs.) Straight line with nil residual value
Plant and Machinery	15% (7 yrs.) Straight line with nil residual value or based on manufacturers useful life.
Furniture and Equipment	10% (10yrs) Straight line with nil residual value
Computer Equipment and Hardware	20% (5 yrs.) Straight line with nil residual value
ICT Software and Licences	20% (5 yrs.) Straight line with nil residual value
Assets Under Construction	These are not depreciated until the asset is brought into use.

14 DISPOSAL OF ASSETS POLICY

The Board of Directors recognise that the following are valuable assets of the Trust:

(a) Staff; (b) Land; (c) Buildings;

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 academy and having an original individual value of £5,000 or more.

In accordance with the ATH 2023, the Trust may agree to give assets bought for a proper purpose, but which are no longer needed for the conduct of its business, to a charity, up to a maximum value of £1,000 per single donation. Residual value of assets is determined by the greater of the written down value or market value.

It shall be the responsibility of the appropriate member of staff (Budget Manager) to identify any such assets which are surplus to requirements.

The Budget Manager shall identify surplus assets to the School Finance Partner who upon endorsing the identification and discussing with the Head of Finance shall recommend disposal to the Headteacher, who will be responsible for the decision.

The disposal of an asset with a carrying amount (cost less accumulated depreciation) above £5,000 must be approved by the Finance Committee. Where possible surplus assets shall be sold in a safe and environmentally friendly manner, the best possible price being sought, and the destination of surplus assets shall be noted in the assets register.

Any assets fully or partly grant funded will be disposed of in accordance with any and all grant terms and conditions. Equipment is not normally disposed of to staff because it is difficult to provide evidence that the school obtained value for money in the sale of the equipment. This can be mitigated by the use of online auctioning platforms in some circumstances. Each individual case shall be investigated and be the decision of the Headteacher following advice from the Head of Finance or CFO.

If computer equipment is disposed of, licences for software programmes must be legally transferred to the new owner or deleted from the equipment along with all Trust data.

The requirements of the academy’s funding agreement with the Secretary of State will be adhered to when considering the disposal of a capital item.

Funds obtained by the sale of surplus assets shall be identified in the school accounts and accessible for audit.

15 CAPITAL PROJECTS

The Trust will ensure that it complies with the ESFA’s good practice guide on “good estate management for schools.”

Capital grant in the form of School Condition Allocation (SCA) is received from the ESFA on an annual basis. The allocation of the grant across the Trust has been delegated to the CEO with the requirement for an update and usage report presented to the Finance Committee within the funding period.

The Trust must obtain prior approval from the ESFA for the acquiring a freehold of land or buildings, disposing of a freehold of land or buildings or disposing of heritage assets (as defined in financial reporting standards).

16 FRAUD AND CYBERCRIME POLICY

The 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 recognising potential fraud, as well as preventing and detecting fraud. The Trust also recognises the role of others in alerting them to areas where there is suspicion of fraud.

It is the duty of all staff, Directors and LAB members to take reasonable steps to limit the possibility of corrupt practices, and to take advice from 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 Windsor Academy Trust, its staff, Directors and LAB 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 section 17 below) - 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 Policies;

• **Failure to observe**, or breaches of, financial procedures which in some circumstances can constitute an irregularity, with potentially significant financial consequences.

Examples of what could constitute fraud and corruption are -

- theft of cash;
- non-receipt of income;
- substitution of personal cheques for cash;
- travelling and subsistence claims for non-existent journeys/events;
- travelling and subsistence claims inflated;
- manipulating documentation to increase salaries/wages received, e.g. false overtime claims;
- payment of invoices for goods received by an individual rather than the Academy;
- failure to observe, or breaches of, regulations and/or other associated legislation laid down by the Trust;
- unauthorised borrowing of equipment;
- breaches of confidentiality regarding information;
- failure to declare a direct pecuniary or otherwise conflicting interest;
- concealing a generous gift or reward;
- unfairly influencing the award of a contract;
- creation of false documents;
- deception;

- using position for personal reward.

The above list is not an exhaustive list of fraud and corruption. If there is concern or doubt about a matter which involves an irregularity, or an on-going investigation into a suspected irregularity staff must refer to the CEO, CFO or Head of Finance in times of absence.

Unless the suspected fraud concerns the CFO then the CFO will take responsibility (in liaison with the CEO and other senior staff) to lead the fraud investigation. The matter should be reported immediately to the Chair of the Audit and Risk Committee with a full report presented to the next meeting of the Audit and Risk Committee. If the suspected or actual fraud issue is considered to be a major issue for the Trust then an urgent meeting of the Audit and Risk Committee or Board may be necessary.

If the suspected fraud concerns the CEO or CFO the Chair of the Audit and Risk Committee must be immediately notified and is responsible for any actions required.

All instances of fraud or theft committed against the Trust, whether by employees, Directors, Governors or third parties, will be reported to the Board of Directors and any instances above £5,000 (individually or cumulatively in any financial year) must be reported to the ESFA. Any unusual or systematic fraud, regardless of value, must also be reported.

A Fraud Register will be maintained by the Principal Accountant and reported to each meeting of the Audit and Risk Committee.

Cybercrime: The Trust must be aware of the risk of cybercrime and will put in place proportionate controls and take appropriate action where a cyber-security incident has occurred. The Trust must obtain permission from the ESFA to pay any cyber ransom demands.

17 CONFIDENTIAL REPORTING (WHISTLEBLOWING) POLICY

The Trust has a Confidential Reporting Policy which covers concerns of a financial nature. This policy is reviewed periodically by the Head of HR and notified to all staff.

https://www.windsoracademytrust.org.uk/assets/downloads/policies-and-procedures/Confidential-Reporting-PolicySept2022-1.pdf

18 GIFTS AND HOSPITALITY POLICY

Employees, Directors and LAB members of the Trust should take guidance from the following rules relating to the receipt of gifts and hospitality:

- **Accepting Gifts**

To accept gifts should be the exception. Small ‘thank you’ gifts of token value, such as a diary, a coffee mug or bunch of flowers, not over £50 in value may be accepted without any formal reporting requirement. The Governance Professional should be notified of any gift over this value for entry on the gifts and hospitality register and advise on acceptance.

Gifts should be refused if it is believed the giver has an ulterior motive such as the receipt of a more prompt service or preferential treatment.

Where items purchased for the Trust include a ‘free gift’, such a gift should either be used for business purposes or handed to the Headteacher/School Finance Partner to be used for charitable purposes.

If there is any doubt about the acceptability of any gift or offer of hospitality the CEO, CFO or Governance Professional must be consulted.

- **Making Gifts to employees/trustees**

In line with HMRC guidance small value gifts can be provided to staff, trustees, members and volunteers (e.g. flowers/chocolates to mark a special occasion or event - birth of child, illness) as long as:

- it costs £50 or less to provide
- it isn't cash or a cash voucher
- it isn't a reward for an employees work or performance

Therefore, gifts cannot be provided to staff as a "thank you" in recognition of any individual or collective work.

- **Other gifts**

In the rare occasion of making other non-staff gifts then (irrespective of value) the gift must be approved by the Finance Committee. The Trust must ensure that it is reasonable, is within the scheme of delegation, the decision is documented and achieves propriety and regularity in the use of public funds.

- **Purchase of alcohol**

In line with ESFA policy under no circumstances can alcohol be purchased as a gift or provided as part of hospitality to staff or third parties. The only exceptions are where the purchase of alcohol has been funded by the PTA (not from Academy Trust income) or where the expenditure has been spent from School Funds (non-GAG Funded income) and is being used as part of an income generating project where income covers the costs. In both exceptions the expenditure must be approved by the Headteacher within existing policies.

19 PAY POLICY AND TAX ARRANGEMENTS

The Trust maintains a separate Pay Policy for Trust staff. This policy is reviewed annually by the Head of HR, consultation with employees and Trade Union bodies takes place, and is approved by the Board of Directors following review and recommendation from the People and Culture Committee and Finance Committee. It is then notified to all staff.

The Trust will comply with the requirements for setting executive pay as contained within the ATH 2023 which sets out a detailed list of requirements for Directors to ensure its decisions on salary and other benefits follow a robust evidence-based process and are reasonable and defensible reflection of the individual's role and responsibilities.

The Trust must ensure that its senior employees' payroll arrangements fully meet their tax obligations and comply with HM Treasury's guidance. Senior managers with significant financial responsibilities should be exclusively on payroll, and therefore subject to PAYE with income tax and NI contributions deducted at source.

Following the publication of the annual accounts and in line with the ATH 2023 the Trust will publish on its website the number of employees whose benefits (inc salary and taxable benefits but not pension costs) exceed £100k, in £10k bandings. In the unlikely event that the Trust has entered into an off-payroll arrangement with someone who is not an employee, the amount paid by the Trust is also included in this publication.

20 TRAVEL, SUBSISTENCE AND EXPENSES POLICY

Travel for staff, directors and members for business needs will be reimbursed in line with HMRC mileage rates which are currently at the rate of 45p per mile (plus an additional 5p per mile for each travelling passenger paid to the staff driver). The claimant is entitled to be notified of this rate in advance of commencing their journey. The claimant must have suitable insurance in place to cover both the vehicle and passengers.

Subsistence costs such as overnight accommodation must be appropriate, relate to business need and provide value for money. The CEO in consultation with the CFO has the discretion to agree to a regular period of subsistence for key members of staff.

Receipts or other appropriate evidence of expenditure must be attached to the claim in respect of all purchases, such as rail/bus fares, subsistence, telephone calls, postage and any other purchases that may be approved. The Trust is not able to reclaim VAT without a proper VAT receipt. Please be aware that reimbursement of expenditure may be refused if sufficient evidence/receipts are not produced.

Claims for the purchase of alcohol, parking fines or any motoring offences will not be reimbursed.

All expense claims must be submitted for reimbursement to the HR Leads within a time period not exceeding 3 months. Expenses submitted after this period will be at the discretion of the Budget Manager following advice from the School Finance Partner or Head of Finance.

All expense claims are to be authorised by the relevant Budget Manager. In the case of a Headteacher claim, these must be authorised by the Deputy Headteacher or Chair of LAB. In the case of the CEO, the Chair of Directors will authorise.

Expenses incurred by Directors and LAB members form part of this policy, with any claims being authorised by the respective Chairperson, or in the case of the Chairperson by the CEO.

21 SPECIAL PAYMENTS, WRITE-OFFs and ENTERING INTO LIABILITIES – DELEGATED AUTHORITIES

Certain transactions by public bodies may fall outside their usual planned range of activity and may exceed statutory and contractual obligations. HM Treasury calls these special payments and are subject to greater control than other payments. They include:

- Staff severance payments
- Compensation payments
- Ex-gratia payments
- Writing-off debts and entering into liabilities

Special staff severance payments

A special staff severance payment is a payment made outside of the statutory or contractual requirements where a person leaves public employment. If the Trust is considering making such a payment it must consider the following issues before making a binding commitment:

- that the proposed payment is in the trust's interests
- whether the payment is justified, based on legal assessment of the trust's chances of successfully defending the case at employment tribunal. If there is a significant prospect of losing the case, a settlement may be justified, especially if the costs of a defence are likely to be high. Where a legal assessment suggests the trust is likely to be successful, a settlement should not be offered
- if the settlement is justified, the trust would 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

Staff severance payments will 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 succeed in an employment tribunal 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.

Where the Trust is considering a staff severance payment that includes a non-statutory/non-contractual element of £50,000 or more, (gross, before income tax or other deductions), ESFA's prior approval must be obtained before making any binding offer to staff.

The Trust will demonstrate value for money by applying the same scrutiny to a payment under £50,000 as those over £50,000 and have a justified business case. The Trust will use the ESFA's Academies Severance Payment form for all non-statutory/non-contractual payments irrespective of value.

Additionally, in accordance with HM Treasury's Guidance on Public Sector Exit Payments, academy trusts must obtain prior ESFA approval before making a staff severance payment where:

- an exit package which includes a special severance payment is at, or above, £100,000; and/or
- the employee earns over £150,000

Therefore special attention must be made where a payment (irrespective of value or whether it is statutory/non-statutory/mixed type) is made to an employee earning over £150,000 or where any payment is made (irrespective of whether statutory/non-statutory/mixed) of over £100,000 to an employee. The ESFA Guide to academy trust severance payments must be referred to.

Compensation payments

Compensation payments provide redress for loss or injury. If the Trust considers making a compensation payment, it must base its decision on a careful appraisal, including legal advice where necessary and ensure value for money. The decision making process must be fully documented. The scheme of financial delegation on Annex A sets out the financial limits.

Any non-statutory/ non-contractual payment over £50,000 must receive ESFA approval.

Ex gratia payments

Ex gratia payments (that go beyond statutory or contractual cover, or administrative rules) must always be referred to the ESFA for prior approval.

Write-offs and entering into liabilities

The Trust must obtain ESFA prior approval for the following transactions beyond the delegated limits:

- writing off debts and losses;
- 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 the smaller) per single transaction
- Cumulatively 5% of total annual income (subject to a maximum of £250,000) in any financial year for Trusts that have submitted timely unqualified accounts for the previous 2 years.

Further detailed guidance is contained within par 5.21 -5.22 of the ATH 2023 and are not reproduced here given that this area will not be relevant for the Trust.

22 CONFLICT OF INTERESTS POLICY

The Trust maintains a separate policy pertaining to the identification of conflicts of interest and responsibilities. This policy is reviewed periodically by the Governance Professional as part of the annual review of governance documentation.

Copy of Policy on Avoidance of Conflict of Interest

23 PURCHASING AND SPENDING DECISIONS

The Trust's detailed policy on purchasing goods and services is contained within the **Contracts and Procurement Policy in Annex B**. The Trust must be able to show that public funds have been used as intended by Parliament. One of the key statements from the policy is the quote and tender thresholds

Buying thresholds	Value (excl. VAT)	Quotes and tenders
Low	0-£14,999	Evidence of price
Medium	£15,000 - £59,999	Quotes from at least 3 suppliers
High	£60,000+	Written Tenders requested from at least 4 suppliers, (where practicable) a recognised procurement framework agreement should be considered for use.

24 LEASES

There are two types of lease – finance lease (these are forms of borrowing) and operating leases (these are not borrowing). Understanding the difference between the two is essential as there are different approval processes to follow and there are different implications on the trust.

Operating lease agreements typically have a shorter duration than the working life of the equipment. Under an operating lease, the leasing company ("lessor") retains the risks and rewards of ownership, and it will also retain an investment in the equipment being leases, known as Residual Value. The trust will not own the equipment at the end of the agreement.

Finance lease agreements usually run for all, or a substantial proportion, of the equipment's estimated working life. Under a finance lease, the leasing company ("lessor") transfers all of the risks and rewards of ownership of the equipment to the customer ("lessee"). The Trust will not own the equipment at the end of the agreement. Leases that do not meet the operating lease criteria will be finance leases. It is critical that with any non-standard lease or new lease that confirmation is obtained from the supplier as to the nature of the lease as any Finance Lease will require ESFA approval as this will represent borrowing on the balance sheet.

Most equipment that is likely to be offered by a supplier to the Trust will be under an operating lease agreement. The ESFA has published a leasing good practice guide which provides further information on types of leases.

When taking out leases Budget Managers should ensure that they fully understand the specification of the equipment and in line with value for money principles they understand the costs of the lease and that the Trust is not committing to a specification that is in excess of what the Trust requires. Budget Managers must understand the minimum lease period, what happens to the equipment after the end of the lease period, the maintenance, servicing and insurance requirements and any upgrade options.

In terms of procurement the value of the contract (for quote and tendering purposes) is the full cost over the term of the lease (exc VAT). Given this financial commitment then it is essential that lease agreements are independently reviewed by a School Finance Partner, Head of Finance or the CFO before commitment is made.

25 VAT AND TAXES

The Trust is VAT registered (VAT number 262677577). It is the responsibility of the Principal Accountant to submit the monthly VAT return. The decision to de-register (or subsequently re-register) for VAT rests with the Finance Committee.

The Trust does not pay Corporation Tax.

It is the responsibility of the Trust's payroll providers to pay HMRC for Income Tax and PAYE as agents on behalf of the Trust.

26 EXTERNAL AUDIT AND FINANCIAL STATEMENTS

The Trust will maintain good accounting records and prepare an annual report and accounts in line with the Charity Commission Statement of Recommended Practice (SORP 2015) and the ESFA's Accounts Direction. The DfE will use audited accounts returns to consolidate academy trust's accounts into the sector annual report and therefore the Trust must ensure that returns and financial information are prepared correctly.

External auditors and internal auditors shall have the authority to access the Trust's premises at reasonable times; to access all assets, records, documents and correspondence relating to any financial and other transactions of the Trust and to require and receive such explanations as are necessary concerning any matter under examination.

The Principal Accountant and Head of Finance are responsible for drawing up a timetable and guidance for final accounts purposes and advise finance staff and external auditors accordingly.

The external auditors will be reappointed annually by the Members on recommendation from the Audit and Risk Committee to the Board. The ESFA recommends that a competitive tendering exercise is held at least every five years.

The primary role of external audit is to report on the Trust's financial statements and to carry out such examination of the statements and underlying records and control systems as necessary to reach their opinion on the statements and to report on the appropriate use of public funds in their report on regularity.

The audit contract must be in writing and the letter of engagement must only cover the external audit. The contract will be signed by the CFO. Any other services must be in a separate letter of engagement.

On an annual basis the Audit and Risk Committee will be presented with a report from the CFO on the effectiveness and resources used of the external auditors as a basis for the decision making to the reappointment, dismissal or retendering of the external auditors. The report and minutes from the Audit and Risk Committee will be distributed to the members.

The letter of engagement must allow for the removal of the auditors before the expiry of the term in office, under exceptional circumstances and if this is actioned must require the majority vote of members. The Board must notify the ESFA immediately of the removal or resignation of auditors and provide a copy of the explanation from the auditors. A change of auditor at the expiry of the agreed term of office does not need to be notified to the ESFA.

The audited financial statements must be provided to the Members of the Trust.

Irrespective of whether ESFA approval is required for transactions (as set out in paragraph 21) the Trust must disclose aggregate figures for transactions of any amount, and separate disclosure for individual transactions above £5,000 in the audited accounts for: special payments (compensation and ex gratia); writing off debts and losses; guarantees, letters of comfort and indemnities; acquisition or disposal of freehold land and buildings; disposal of heritage assets; taking up or granting a leasehold on land and buildings; gifts made by the Trust.

27 INTERNAL SCRUTINY

The ESFA considers that the term internal scrutiny must be viewed in the same way as internal audit. The Trust has an internal scrutiny service in line with the requirements of the ATH 2023 and organise an annual programme of work that is linked to the Trust's Risk Register. a programme of internal scrutiny to provide independent assurance to the Board that its financial and non-financial controls, and risk management procedures are operating effectively.

The oversight is carried out by the Audit and Risk Committee and extends to financial and non-financial controls and risks at constituent academies. The Committee is responsible for agreeing the method by which internal scrutiny is delivered and this would normally be agreed through a 3-year internal scrutiny strategy. The Committee is also responsible for agreeing the internal scrutiny audits to be carried out in the year and the scope of the work to be performed.

Whilst the Audit and Risk Committee is responsible for overseeing the Trust's programme of internal scrutiny all reports will be made available to the Board of Directors promptly.

The Trust will confirm in its governance statement, accompanying its annual accounts, which of the internal scrutiny options it has applied and why. The outcome of the work will inform the accounting officer's statement of regularity in the annual accounts.

The Director of Operations and CFO will be responsible for ensuring that an annual assurance report is provided to the Audit and Risk Committee showing how internal scrutiny has been delivered to the Trust and that this (and any other internal scrutiny reports requested by the ESFA) is submitted to the ESFA by 31 December of each year. This report may focus on both or either of financial and non-financial areas and be presented to the Board of Directors for information.

28 THE REGULATOR AND INTERVENTION

The ESFA is an executive agency of the DfE. The ESFA's accounting officer must be satisfied that academy trusts have appropriate arrangements for sound governance, financial management, value for money and accounting, and that trusts' use of public funds is consistent with the purposes voted by Parliament.

The ESFA's accounting officer will send a 'Dear Accounting Officer' letter at least annually to academy trust accounting officers, covering issues such as developments in the accountability framework and ESFA findings. The CEO must share it with their members, Directors, chief financial officer and senior leadership team, arrange for the board to discuss it and take action, if necessary, to strengthen financial controls.

In the event that the ESFA has concerns about financial management and/or governance at an academy trust then Trusts must provide ESFA with written authority giving permission for any third party to provide such information and documentation to the ESFA or its agents on request.

29 CHARGING AND REMISSIONS POLICY

The Trust maintains a separate policy pertaining to Charging and Remissions attached at **Annex C**. This policy is reviewed periodically by the Head of Finance and as a statutory policy is approved by the Board of Directors and notified to all staff.

30 LETTINGS POLICY

The Trust maintains a separate policy pertaining to the hire of Trust facilities, called the Lettings Policy attached at **Annex D**. This policy is reviewed periodically by the Head of Finance and notified to all staff.

31 PURCHASE CARD POLICY

The Trust maintains a separate policy pertaining to the use of Business Cards attached at **Annex E**. This policy is reviewed periodically by the Head of Finance and notified to all staff.

ANNEX A: Scheme of Financial Delegation (SOFD)

Please see attached document

Annex A - Scheme of Financial Delegation 2023.24 Draft.xlsx

ANNEX B: CONTRACTS AND PROCUREMENT POLICY

Content

Forms (appendices B-E) are not included within this policy as they are procedural matters and updated as required.

1. Introduction

This policy sets out the principal guidelines detailing the Trust's approach to procurement and the management of contracts, streamlining its approach to the purchase of goods, works and services and entering into of contracts to provides goods and/or services to third party providers.

This policy has been written in accordance with the statutory and regulatory requirements of the Academy Trust Handbook 2023 (ATH 2023), Funding Agreements with the Department for Education (DfE), any DfE guidance (including the Academies Procurement Resources) and the Public Contracts Regulations 2015 (the Regulations).

2. Definitions

"Supply" includes buying, leasing, hiring or any form of credit arrangement.

"Quotation" means a written offer for supply without needing to use the formal procedures of tendering.

"Tendering" means a formal procedure for getting written offers (tenders) for supply. Under this policy there are two tendering procedures - the full and the shortened procedure.

A *"Pecuniary Interest"* is where a member, trustee, member of staff or LAB member has an interest in a person or business that could benefit from a procurement process.

A *"Contract"* is a legally binding agreement between two or more people or organisations.

3. Responsibilities

The Directors oversee this policy, delegating responsibility to the Finance Committee, CEO, CFO, Headteachers, Director of Operations, School Leadership Teams and other staff as appropriate in accordance with the Scheme of Financial Delegation (SOFD.)

This policy applies to any contract for services, supplies or works, which results in payment for said items being made to or by the Trust.

Every procurement exercise or contract entered into should deliver value for money to the Trust ensuring the purchase is considered to be good use of public money, or the Goods/Services provided are done so at an educational, commercial and/or economical advantage to the Trust. Achieving value for money is not always accepting or offering the lowest price, other factors such as quality, timing and whether the contract is fit for purpose should also be considered.

Consideration as to the procurement method and the estimated value of contract, should be made before any purchase is agreed. The ATH 2023 should be consulted in relation to some types of leasing arrangements and novel/contentious transactions as special rules apply to some of these transactions, which require Secretary of State consent. Where appropriate, advice and guidance is also available from the finance team.

Care will be taken to ensure that a contract is not disadvantageous to the Trust. Care and consideration will be given to all procurement exercises, ensuring where possible that significant payment in advance is avoided for goods or services.

Repeatedly rolling over a single year contract, is unlikely to allow best value to be achieved. Any contracts procured on this basis should be reviewed and where appropriate re-procured.

Any bidder in a competition should be treated in a way which ensures equality of treatment, non-discrimination and transparency, for example:

- All Bidders must be given the same information at the same time, and no Bidder should be treated more favourably than another; and
- There must be clear and transparent timescales, requirements, specifications and deadlines to comply with any competition.

4. **Budget expenditure and tender approval**

The Trust has a Scheme of Financial Delegation (SOFD) that clearly sets out the levels of delegated authority and the maximum threshold value of the contract(s).

For all 'High Value and Upper Threshold' Contracts (as set out below), prior approval must be sought from the CFO or CEO and, where required, from the Finance Committee/Trust Board.

5. **Procedures**

Wherever practical, purchase checks should be made with other academies within the Trust and contact central colleagues, to find out whether the same purchase is required in the Trust. Where appropriate, a joint procurement exercise should be considered to secure aggregated benefits and best value for money.

When addressing any procurement need it is essential to consider how the purchase is to be sourced:

- What is the estimated level of spend?
- Due to the procurement thresholds, how many quotes are required?
- Is a formal tender exercise required?
- Can WAT/Academy use an existing procurement framework agreement (see section 6 below), or can another WAT Academy provide the required resource?
- Is a Government Procurement Agreement (GPA) compliant procurement necessary (through the 'Find a Tender' Service (FTS))?

Where existing procurement framework agreements are in place (particularly for Upper Threshold Contracts) then this should be considered the preferable method of procurement.

When starting a procurement exercise it is important to have a clear technical scope and specification of the goods, works and/or services, together with the quantity, maximum cost and delivery / completion requirements.

Please see Appendix A for a guide to carrying out a tender and what information will be required at each stage of the process.

6. **Contract Values**

Contract values must be decided as follows:

- If the contract is to purchase a single item, which is not related to purchasing other items, the value of the contract is the price, or estimated price of the item, including all related fees. A single contract must not be broken down into smaller contracts to avoid contract value thresholds.

- If the contract is for specific services, the value of the contract is the price, or estimated price, of the services.

- If the contract is for a fixed term with an option to extend, the value of the contract is the total price over the whole life of the contract, i.e. the initial term plus the extension period.

- If the contract is for goods or services to be provided by lease or hire, the value of the contract is the capitalised value of the goods or services to be provided. This can be worked out by multiplying the regular payment to the lease or hire company by the minimum number of payments to be made under the contract. Note, the Trust must not enter into finance leases without the prior written agreement of the ESFA.

- If the contract is a framework agreement, (also known as call-off agreement) the value of the contract is the expected total value of goods or services taken under that contract during the life of the contract.

- If the contract is for the supply of goods or services to others by the Trust, then due consideration and diligence should be considered. To ensure the contract being entered into supports a Trust strategic priority. The result of the contract delivery should remain educationally, commercially and/or economically advantageous to the Trust throughout the life of the agreement.

If the contract is entered into by the Trust through “collaborative purchasing” the value of the contract is the total price across the Trust over the whole life of the contract.

The value of a contract does not include VAT unless VAT cannot be reclaimed.

7. Purchasing Thresholds

Procurement thresholds for buying decisions are set in line with guidance from the ESFA – “Buying for Schools” with the introduction of low, medium and high value buying thresholds. The ESFA also recommend that the Trust should use national procurement frameworks for high value goods and services (See Section 9).

Trust approved purchasing thresholds

Purchasing Threshold	Value (excl VAT)	Quotes and Tenders
Low	£0 - £14,999	Evidence of Price
Medium	£15,000 - £59,999	Written quotes from at least 3 suppliers
High	£60,000 +	Written Tenders requested from at least 4 suppliers, (where practicable) a recognised procurement framework agreement should be considered for use.

8. Low and medium level transactions (Goods and services from £0 - £59,999)

The process of how WAT obtains goods, works or services with a contract value below £60,000 must be documented, this documented evidence must include:

- Value for money and Budget Holder responsibilities should dictate that comparative pricing where appropriate should be obtained for all purchases.
- For medium level transactions (£15,000) a minimum number of 3 documented quotations are required;
- The method for choosing suppliers or contractors; and
- Details of the staff authorised to accept quotes.

For low value (<£15,000) items, it is possible to show that value for money has been achieved by comparing prices across several suppliers using catalogues or the internet. For more significant purchases, it is possible to demonstrate value for money by getting alternative quotations. There may be occasions when it is beneficial to use the tendering procedure or a procurement framework for some contracts below £60,000 if this is likely to provide best value for money.

Where the procurement exercise is expected to exceed £15,000 and the purchase/project may be of a complex nature or unbudgeted then the Budget Holder should seek guidance and support from the CFO.

9. High value transactions (goods/services between £60,000 and the current EU Procurement threshold and works up to the current EU threshold)

9.1 Prior to undertaking any High Value transaction advice must be sought from the CFO or Director of Operations. The following areas should be covered.

- Rationale and –identification of the need;
- Benefits to the Organisation (Financial/Non-Financial);
- Technical scope and specification of the requirement;
- Benchmarking and market testing; and
- Assessment of value for money;
- Procurement Strategy - seek advice or consult with the procurement/contracts team.

9.2. Bidders requesting information regarding any procurement exercise must be sent a tender pack. This should contain the information about the requirement and needs, together with the information required from bidders. This will need to be bespoke in each case but could include, for example:

- details of pricing;
- details of method statements;
- details of product characteristics;
- the evaluation criteria which will be used to evaluate the tenders received, including disclosure of the criteria, sub criteria and weightings that will be applied to select the best Bidder(s). This can be complex, seek relevant and appropriate guidance, advice and support from the finance, procurement and contracts team.
- a draft set of contractual terms and conditions.

9.3. It is expected that a minimum of four suppliers/contractors would be approached to submit tenders for procurements of this value.

9.4. Once the Procurement framework exercise/tender process has been completed, Tenders must be opened in accordance with the Tender Opening Form (Appendix B) and any approval for the procurement made via the Procurement Authorisation form (Appendix C).

10. Transactions above current United Kingdom Procurement Thresholds

10.1. UK Procurement Thresholds indicate at what minimum value, a contract for goods, works or services must be advertised.

10.2. It is mandatory for public sector contracting authorities to adhere to these regulations. However, it is important that suppliers are also aware of advertising thresholds.Our procurement will fully comply with government rules in place covering public sector procurement.

THE PUBLIC PROCUREMENT THRESHOLDS REGULATIONS 2022

	Supply, Services and Design Contracts[1]	**Works Contracts[2]**	**Social and other specific services[3]**
Central Government	£138,760 (ic VAT)	£5,336,937 (inc VAT)	£663,540 (inc VAT)
Other Contracting Authorities (Multi Academy Trusts)	£213,477 (inc VAT) £177,897 (exc VAT)	£5,336,937 (inc VAT) £4,447,447 (exc VA	£663,540 (inc VAT)

Small Lots	£70,778 (inc VAT)	£884,720 (inc VAT)	n/a

10.3. High threshold procurements should be managed and coordinated by a member of the (Extended) Executive Team.

10.4. It is expected that a minimum of four suppliers/contractors would be approached to submit tenders for procurements estimated to be above the UK/EU procurement threshold or where possible an appropriate Procurement Framework Agreement utilised, with proposals submitted by multiple bidders.

10.5. Once the Procurement/tender process has been completed, Tenders must be opened in accordance with the tender Opening Form (Appendix C) and any approval for the procurement must be made via the Procurement Authorisation form (Appendix D).

11. Procurement via Framework Agreements

11.1. Framework contracts are those where a number of suppliers have been pre-procured with all public sector rules complied with. Due to this it is possible to purchase directly from a framework without the need to complete a further procurement exercise, irrespective of the value being procured. In appropriate circumstances, this can be an efficient way of procuring goods and services as it reduces administration costs on the procurement as well as potentially securing value for money through pre-tendered low prices.

11.2. A framework agreement (or call-off agreement) is one where the terms of supply are fixed but it does not involve the supply of goods or services until an order is placed for the supply.

11.3. If appropriate, in accordance with the ATH 2023 and DfE policy, WAT may choose not to run its own procurement processes, and instead use an existing framework arrangement.

11.4. There are several organisations that offer a wide variety of framework agreements, these include:

- Crown Commercial Services (CCS)
- Crescent Purchasing Consortium (CPC)
- Eastern Shires Purchasing Organisation (ESPO)
- Yorkshire Purchasing Organisation (YPO)
- Fusion 21
- Pagabo
- Everything ICT
- Everything FM

11.5. Registration is usually required in order to access these framework providers. As per the requirements of section 3 are adhered to when deciding the procurement route.

11.6. The Trust may also set up its own framework agreements which can be used trust wide. Such frameworks will be notified to Academies as appropriate.

11.7. Throughout the process of each procurement exercise, it is important to ensure that:

- The Trust is entitled to call off from the arrangement. You should check in each case;
- The specification and the contract terms are suitable for your particular needs. *The terms and conditions from frameworks are generally set in advance and cannot be changed beyond the mechanism set out in the framework*; and
- The framework's guidance must be adhered to, particularly about how orders should be placed. This will either generally permit (1) direct awards of contracts to a supplier and/or (b) mini competitions between all suppliers with capacity to deliver the requirement on the framework.

- Costs for use of the procurement framework should be considered in advance of using or committing to the use of a framework.

11.8. Different rules apply depending on the value of the purchase you want to make. The Trust's current spend thresholds are set out below.

11.9. If your contract is of a value which exceeds the Upper Threshold, the Regulations will apply and you must follow the procedure set out in section 10 of this document.

11.10. Frameworks can be an attractive way to procure, however, it is advisable to carry out some open market testing, especially in markets where the value can fluctuate over time to ensure best value is sought

11.11. When the Procurement process has been completed, the Procurement Authorisation form (Appendix C) should be completed.

12. Lease Agreements

12.1. Where the procurement solution and delivery is via a lease agreement, Finance team advice should be sought prior to any signing of the lease to ensure compliance with ESFA rules.

13. TUPE

13.1. Some contracts will involve provision of services to the Trust where members of staff are employed by a contractor to specifically support WAT and/or its Academies. Examples of these contracts include Catering and Cleaning services. Due to this, these employees may have employment rights when these contracts are renegotiated.

13.2. Any consideration of tendering these contracts should be done in consultation with the Head of HR and advice sought on the TUPE (Transfer of Undertaking Protection of Employment) transfer process. Any procurement exercise that involves TUPE is likely to prolong the period of the procurement due to the complexity and nature of it.

14. Tender opening procedures and rules

14.1. The procedures will differ when opening bidders proposals during procurement exercises. If it is estimated that the procurement value is likely to be below £60,000. The bidders quotes/return documentation may be opened at any point and the contents assessed.

Bidders, contractors and suppliers may submit their quotations for values under £60,000 by hard copy, email or via the procurement portal.

14.2. If the procurement value is estimated to exceed £59,999, the Procurement/tender process detailed in appendix A should be followed.

14.3. Where the value exceeds £60,000, only tenders, or use of an appropriate procurement framework agreement lot will be accepted and can be submitted via the following methods

- Hard copy*
- Secure Procurement email address
- Via procurement portal

*In the case of hard copies, the envelope/package should bear no external markings identifying the bidder.

14.4. An appointed officer from the Trust of which the purchase relates to, must ensure to keep any tenders received, secure and unopened, until the specified tender opening meeting. Any tenders received via the procurement email address or procurement portal should remain unopened and must not be downloaded until the Procurement/Tender opening meeting.

14.5. If an external E-tendering platform is to be operated for any procurement exercise above the UK/EU threshold, this will help ensure compliance.

14.6. If a formal Procurement Framework/tender exercise is required and sealed submissions are received, a formal tender opening meeting should be called to ensure all potential suppliers are treated fairly. The formal tender opening form found at Appendix C should be used when completing this stage of the tender exercise, this will allow for a clear audit trail to be presented.

15. Audit and Record Keeping

15.1. For all purchases, regardless of the contract length or procurement type or method and clear audit trail should be kept. The level of detail required for this audit trail will depend on the value of the purchase and will increase proportionately. The details within the written record should include:

- Details of the purchase, for example what was purchased, who the supplier was and the cost of item or value of contract.
- Information on the procurement method used and why it was suitable for this purchase/contract. For example, was a framework used and why, if not then copies of the quotations or tenders submitted attached.
- If appropriate, how the supplier complies with the data Protection Act 2018, with particular regard for the General Data Protection Regulation (GDPR).
- Full minutes of any meeting where the procurement was discussed (if applicable).
- Who was responsible for evaluating the tenders, along with any details of the evaluation scoring (if applicable).
- Who was responsible in deciding to procure, and rationale behind the reason to procure.
- Where the lowest cost is not the driver behind the successful bidder, reasons for this must be documented.
- Where the procurement is for a lease agreement, evidence that the agreement has been authorised at the correct level must be documented.

16. Exemptions

16.1. There are instances where a tender process has already been carried out on behalf of public/education sector. It is not necessary to get alternative quotations or carry out a tender procedure for these contracts, although it is still important to ensure the Trust is achieving value for money: instances where this may apply are:

- Central/Local Government or Public Sector Buying organisations have setup a framework agreement
- Local Authority Framework or Approved Contractor List agreed

16.2. Where the Trust had previously carried out a procurement exercise (e.g. a contract for 3 years) and the Trust wishes to continue using the supplier by means of a contract extension, there are circumstances where a Quotation/Tender Waiver may not be required..

16.3. For all levels of new procurement, this policy must be followed in all but exceptional circumstances as agreed by the CEO.

16.4. If the exceptional circumstances described in this section apply, the CEO has the delegated authority to decide not to quote or tender.

16.5. If the CEO uses the powers described in this section the Chair of the Finance Committee will be informed at the next Finance Committee meeting with the key contract information documented.

16.6. Directors may grant an exception to these regulations using the Quotation/Tender Waiver form at appendix E. Under normal circumstances, this must be taken to a Finance Committee meeting for approval and appropriately recorded, before any contract may be entered into.

However, it is acknowledged that this may cause unnecessary delay for some projects (e.g. where an order needs to be placed quickly so work can be completed during a school holiday). Under these circumstances, the decision can be made by the Chair of the Finance Committee, and reported to the next Finance Committee. However, the Trust must not continually waive the same contract as this may break UK law. Lack of time caused by poor forward planning is not an appropriate reason for granting a waiver.

16.7. It is not necessary to quote or tender if there is an unexpected emergency involving danger to life or health or serious damage to property, if the goods, work or services are needed more urgently than would be possible if the tender or quotation procedure were followed.

16.8. It is not necessary to quote or tender if you can achieve value for money by buying used vehicles, equipment or materials. However, there may be hidden costs in purchasing used goods and the decision to do so must take account of these.

16.9. It is not necessary to quote or tender if for technical reasons, the goods, work or services can be bought from only one provider. This must be justified – the Trust must be able to demonstrate that it has tried various providers. This should be justified and approved using a Quotation/Tender Waiver form

16.10. Some other types of arrangements fall outside of the procurement rules, such as employment contracts. This may also include some types of Special Education Needs provision. For any clarifications contact the procurement/contracts team.

16.11. Any exemptions should only be relied upon with express written consent from the CEO, the Finance Committee or the Board of Directors.

16.12. In summary, the scheme of financial delegation for exemptions is set out in the table below:

Purchasing Threshold	**Value (excl VAT)**	**Prepared by and reviewed**	**Authorised by Exemption (waiver)**
Medium	£15,000 - £59,999	Prepared by the proposer and reviewed by a member of the Executive Team as appropriate.	CFO /CEO
High	£60,000 +	Prepared by the proposer and reviewed by a member of the Executive Team as appropriate together with the CFO.	£60,000 - £99,999 Finance Committee on recommendation from the CEO
			>£100,000 – Board of Directors on recommendation from the CEO (following approval from the Finance Committee)

17. Related Party Transactions (Business and Pecuniary Interests)

17.1. The Trust adheres to the requirements of the ATH 2023 regarding business and pecuniary interests, refer to the Related Party Transaction section of the WAT Financial Policy Manual.

17.2. Any interest which may affect the outcome of a procurement process must be declared.

17.3. All Directors, LAB members and senior school leaders must declare business and pecuniary interests.

Under the ATH 2023 the Trust must not pay any more than “cost” for goods and services provided to it by a member, trustee or connected party of a member or trustee. Rules on this are very specific and if any doubts exist over a connection to a member or trustee then this must be referred to the CFO prior to any procurement decision being made.

17.4. There are rules in the ATH 2023 in relation to payments to individuals/organisations which are "connected" to a Member or Trustee. In any such case the CEO and CFO must be informed before any such payments are made.

17.5. No gifts or hospitality should be accepted by any service provider as an inducement to award a contract to that supplier. This may be an offence under the provisions of the Bribery Act 2010, this includes free IT equipment. Inform a member of the Executive and/or Headteacher immediately on becoming aware of any such gifts or hospitality.

18. Contracts entered into by the Trust to deliver goods or services

18.1. The Trust may negotiate and enter into contracts for the supply of goods or services by the Trust and/or its employees. These goods or services should be offered with consideration to the organisation and the operational impact the delivery of the service would have on the Trust.

18.2. Where goods or services are offered, appropriate costs and revenue income should be considered in the terms and conditions of delivery. Proposals around fees and the impact of any agreement on the Trust should be reviewed and approved by the Executive team in advance of any agreement being made.

18.3. Where it is proposed to enter into an agreement for the sale of any goods or the offering of services by the Trust the impact of delivery should be considered in relation to the strategic, educational, commercial and financial value.

18.4. Where an agreement and contract is proposed to be entered into, a Contract Approval form (Appendix E) should be completed and submitted to procurement@windsoracademytrust.org.uk, where the proposal will be reviewed. The proposal will then be presented to the Executive team for consideration and formal approval.

19. Management of Contracts

19.1. Following the procurement of, or the entering into of, any service contract it is vital to ensure the contract is appropriately and effectively managed, the method for doing so will be dependent on the size and complexity of the contract.

It is important to hold regular contract management meetings to:

- Ensure all parties understand their role and responsibilities within the contract and to fulfil them effectively.
- Ensure progress is made within the contract on a day to day management basis and against any agreed KPIs. Ensuring any issues preventing these being met are discussed and resolved.
- Ensure that notice of termination or the requirement to re-negotiate is given on all contracts in plenty of time. Most contracts have a minimum notice period of three months. Ensure to have served written notice as per the terms and conditions of the contract to ensure an auto-renewal of the contract on a rolling basis is not enforceable.

19.2. Contract variations and extensions – best practice dictates that all contracts should be re-negotiated or put to the market at the end of each term. However, in certain circumstances it may be appropriate to extend an existing contract.

19.3. Any contract variation or extension should be agreed by the Trust and the supplier by mutual consent. If the original contract is under the UK threshold the contract may be extended by a maximum of 1 year, or in the case of existing multi-year deals, 67% of the original contract length (where a multi-year contract was procured) without the need for tendering. If the contract value is expected to be over the UK threshold, then a new procurement exercise should be entered into. To enable the new procurement to be completed, it is possible to allow short extensions to the existing contract to accommodate the procurement exercise.

19.4. In line with the provisions set out in section 16 situations where it may be appropriate to extend an existing contract without going to market would be; Where the Trust had previously carried out a procurement exercise to procure goods or services and wishes to continue beyond the end date of the current term. This option will be afforded, provided the service continues to offer value for money, satisfactory service levels have been maintained throughout the contract and the price offered for the new/extended term does not increase by more than inflation.

20. Social Value and Sustainability

20.1. WAT is committed to contributing to a more sustainable future and leaving the world in a better place for future generations. The Trust has set an ambitious goal to be net zero by 2030 and is embedding sustainable practice across everything it does.

20.2. In order to support this ethos, Social Value and Sustainability is a key driver, and will form part of all tenders, and is referenced within all contracts. WAT will endeavour to comply with the Trust Sustainability Strategy, the UK Government Social Value Model (2020) and the Academies Buying Resource ensuring a minimum 10% weighting is included within all tenders around social value and sustainability criteria, holding suppliers and contractors to account, through agreed contracts.

20.3. In line with this moral purpose, sustainability and decarbonisation through scope 3 emissions forms a key part of this strategy, therefore recognising the sustainability and decarbonisation credentials of our potential commercial partners is essential and will be demonstrated through the social value and sustainability weighting of all tenders.

20.4. The Social Value Model (2020) was launched by the UK Government in September 2020, the model seeks to rapidly strengthen social value within procurement. There are five main themes within the model and eight subsequent policy outcomes relating to each theme.

20.4.1. Theme 1 COVID-19 recovery
- Policy outcome: Help local communities to manage and recover from the impact of COVID-19.

20.4.2. Theme 2 Tackling economic inequality
- Policy outcome: Create new businesses, new jobs and new skills.
- Policy outcome: Increase supply chain resilience and capacity.

20.4.3. Theme 3 Fighting climate change
- Policy outcome: Effective stewardship of the environment.

20.4.4. Theme 4 Equal opportunity
- Policy outcome: Reduce the disability employment gap.
- Policy outcome: Tackle workforce inequality.

20.4.5. Theme 5 Wellbeing
- Policy outcome: Improve health and wellbeing.

- Policy outcome: Improve community cohesion.

20.5. It is essential that we ensure there is an understanding throughout WAT of how to account for social value throughout the procurement lifecycle, especially at the pre-procurement stage.

20.6 Tender Exercises: Social Value related questions

20.6.1 Through the addition of a Social Value category in the weighting of all tenders, bidders will be required to answer questions relating to the WAT Sustainability Strategy goals and/or the UK Government Social Value Model (2020) policy outcomes.

20.6.2 Procurement leads may develop evaluation questions and criteria in cases whereby they have additional needs which relate to the WAT Sustainability Strategy and the UK Government Social Value Model (2020) policy outcomes. In these instances, procurement leads must ensure the following:

- Ensure relevance to the subject matter of the contract
- Respond to intelligence gained through pre-tender market engagement
- Ensure compliance with the principles of equal treatment, non-discrimination and proportionality.
- Satisfy/achieve specific operational and policy/strategy objectives.

20.7 Weighting of Social Value and Sustainability in Tender Exercises

20.7.1. A minimum overall weighting for social value of 10% of the overall score is mandated whenever any of the social value outcomes are included in the procurement. Procurement leads may increase this depending on their opportunity. It should be noted that within this 10%, the procurement lead will need to allocate appropriate weightings within the category to each of the evaluation criteria it has included under social value.

20.7.2. There may be exceptions to the percentage weighting. A reduction of the minimum 10% may be acceptable when pre-market engagement demonstrates that the approach would significantly reduce competition due to a lack of market maturity in delivering social value.

End.

Appendix A – Aide Memoir: Stages of a tender process

Invitation to Tender

An invitation to tender allows potential suppliers to gather all the information they need to bid for the product, work or service being procured. In order to ensure all bidders are clear of expectations and what is required, the tender information pack contents should include:

- An introduction to WAT and/ or the Academy
- A precise description of the goods, works or services required
- if appropriate, an explanation of what the goods, works or services should do to meet the requirements. It may be necessary to include an output specification or Schedule of Works
- The quantity required
- The quality required
- The length of the contract being procured
- Required delivery dates or draft programme of works/timeline
- Data sharing requirements under GDPR
- Implementation requirements for the project
- The KPIs that will measure performance of the contract
- The terms and conditions of the contract
- TUPE information (if relevant)
- The criteria by which tenders will be evaluated including information on how the various criteria will be weighted
- Precise details about how the tender should be submitted and the closing date
- The form of response

Advertise an open tender

Advertisements can be placed in trade journals (costs may apply), websites and on WAT's Procurement Portal website to invite interested suppliers to make contact and tender.

Open tender is considered to be the most open and competitive method for receiving tenders. The decision as to where to advertise should be taken on a case by case basis and should be proportionate and reasonable with the aim to elicit a good response from qualified suppliers. A sensible amount of time should be left from the advert for interested parties to respond.

A restricted tender

Specific suppliers are identified and asked to bid by completing a tender. This method avoids the cost of advertisement and can be useful where previously successful contractors/suppliers can be used and best value demonstrated. It would also be appropriate where there are a limited number of specialist suppliers.

Acceptance of tenders

Invitations for tender must always state the date and time the completed tender documents are to be received and the method for the tenders to be received. E.g. Sealed envelope, email, procurement portal.
All tenders must be clearly marked upon arrival and securely stored. Tender documents received after deadlines are not considered, unless the supplier provides proof of exceptional circumstances.

Opening of tenders

The following procedure ensures that all potential suppliers are treated fairly:

- All offers for tender are opened at the same time, with a minimum of two members of staff present. The required staff members present will depend on the value of the tender and should be appointed proportionately.
- A record is to be kept of all the suppliers who submitted tenders, along with the amount tendered and any significant information noted at the time of opening.
- The record is signed by all members of staff who are present at the opening of a new tender.

Evaluation of tenders

The tenders are to be evaluated against the criteria and weighting stipulated in the original tender document. Such criteria should include:

- Price
- Financial stability of the supplier
- Insurance cover
- Ability to supply the contract
- Best match of the goods or services to the specification required
- Quality control procedure
- Conformity with required standards
- References from current or previous customers
- Helpdesk or other responsive services
- How well supplier can match timescales

At least 2 people should independently evaluate the submitted tenders and their combined scores should be moderated to award the contract to the highest scoring bidder.

ANNEX C: CHARGING AND REMISSIONS STATUTORY POLICY

Introduction

This document sets out the overarching charging and remissions policy for Windsor Academy Trust and its academies.

Charges

Charges will not be made for any of the following:

- An admission application or processes.
- Education provided during school hours including materials, books and equipment where the ownership of the item remains the schools.
- Education/activities provided outside school hours if it is part of the national curriculum or part of a syllabus for a prescribed public examination that the Pupil\Student is being prepared for at the school, or part of religious education.
- Instrumental or vocal tuition where it is an essential part of either the National Curriculum or a public examination syllabus being followed by the Pupil\Student. This does not include additional tuition provided at the request of the Pupil\Student's Parent/Carer.
- Transport of registered Pupil\Students to or from premises where the governing body has arranged for Pupil\Students to be educated at premises other than the school. Transport provided in connection with an un-chargeable educational visit.
- Entry for a prescribed public examination or examination re-sit(s), if the Pupil\Student has been prepared for it at the school.

Charges may/will be made for the following:

- Any materials, books, instruments, or equipment, where the Pupil\Student's Parent/Carer wishes the Pupil\Student to own it.
- Optional extras (see Optional Extras section for details)
- Music and vocal tuition in circumstances in accordance with DfE guidelines.
- Community facilities/lettings.
- Board and lodging for a Pupil\Student on a residential visit which is not part of the national curriculum or part of a syllabus for a prescribed public examination that the Pupil\Student is being prepared for at the school, or part of religious education.
- Public examination fees where the Pupil\Student has not been prepared for the examination by the school or where the Pupil\Student fails without good reason to meet the examination requirement for that syllabus.
- Examination re-marks where requested by the Parent and not supported by the school.
- Extended day services offered to Pupil\Students (for example breakfast club, after school clubs and supervised homework sessions).
- Damage to property and breakages.
- The provision of Training and Consultancy will be calculated with reference to the cost of delivery and market rates.
- The use of Trust premises is a chargeable item and is covered by a separate lettings policy for each School. For non-school based premises, charges will be applicable.

Optional Extras

Charges may be made for activities that are known as 'optional extras'. Where an optional extra is being provided, a charge can be made for providing materials, books, instruments, or equipment. Optional Extras include:

- Residential trips/visits
- Extended day services
- Out of hours trips/activities
- Transport

Damage to property and breakages

- Where property has been wilfully damaged by a Pupil\Student or Parent/Carer the full or part cost of repair or replacement may be charged to the responsible party.
- Where property belonging to a third party has been damaged by a Pupil\Student, and the school has been charged, all or part cost of repair or replacement may be charged to the responsible party.

In all instances where charging is in place, Parents/Carers will be advised in advance.

Charges for activities are calculated based on the expected actual costs that will be incurred divided equally by the number of Pupil\Students participating. It will not therefore include an element of subsidy for any Pupil\Students wishing to participate in the activity whose Parents/Carers are unwilling or unable to pay. Should the required funding not be raised activities may be cancelled.

Remissions and concessions

The school will give consideration to the remission of charges to Parents/Carers who receive the following support payments:

- Income Support
- Income based Job-seekers Allowance
- Child Tax Credit
- Support under part VI of the Immigration and Asylum Act 1999
- Guaranteed Element of State Pension Credit.
- Pupil Premium allocation or free school meals

The Headteacher will authorise the remission of charges.

The school may choose to subsidise part or all of the payment of some charges for certain activities and Pupil\Students, and this will be determined by the Headteacher.

Voluntary contributions

Voluntary contributions may be requested for general funds and/or to fund activities that will enrich our Pupil\Students education. In any case where an activity cannot be afforded without voluntary funding, this will be made clear, if the activity is cancelled all monies paid will be returned to Parents. There is no obligation for a Parent/Carer to make any contribution and the school will in no way pressure Parents/Carers to make a contribution.

Surpluses made on a trip or activity

Every effort is made to ensure the estimated cost of trips/activities is accurate and our policy is not to make a surplus. There may be occasions after making all associated payments a small surplus of funds remain, if this situation arises and the surplus is greater than 5% of the total trip cost and the calculated refund per person is greater than £10, refunds will be issued, otherwise any remaining funds will be retained and contributed to future activities.

ANNEX D: LETTINGS POLICY

Introduction

Windsor Academy Trust has a range of buildings and facilities, which, when not in use by its academies, can be considered for hire by the wider community and outside organisations.

Through a structured Lettings Programme each academy will be able to: -

- (a) make full and cost effective use of its premises
- (b) make the facilities of the academy available to the wider community
- (c) enhance the standing of the academy by allowing access to people who would not normally visit the academy
- (d) generate additional income

Overview

1. The academy premises will be made available to the wider community at reasonable charges. The charges will be set by the Headteacher and reviewed periodically by the Local Advisory Body (LAB) of each academy.
2. The LAB will allow the Headteacher (or other responsible person with delegated authority) discretion in agreeing reduced rates for some community access, particularly to enable use of the facilities by youth groups.
3. In agreeing a programme of lettings the academy will give priority to out of academy activities and functions (e.g. Parents Evenings, plays, concerts, etc) and functions and events organised by the academy. There will be no charge made to the academy users for such functions.
4. Premises lettings will be accepted from bona fide educational, sporting, charities and community clubs or associations at the agreed hourly rate for the facilities booked (see note 1 above). The availability and charging for use of toilets and changing facilities will be at the discretion of each academy.
5. The timing of lettings to outside bodies will be at the discretion of each academy.

Booking Arrangements

Each academy will be responsible for their own administration process regarding the booking and oversight of each letting, the local (Executive) Headteacher must ensure an appropriate system is in place.
The academy must ensure that hirers are aware of the Terms and Conditions of hire (an example is available at Appendix A).

Charges and Payments

As already stated, the hourly hire charging rates for the defined premises available for letting will be set and reviewed periodically by the academy LAB.
The administrator will be responsible for issuing invoice summaries to the academy finance Officer/Department for the charges to hirers. The academy finance Officer/Department will then issue invoices and monitor collection of payments from hirers.

As the Trust is VAT registered, each letting must be individually reviewed by the academy to determine the application of VAT rules. As a general guide all lettings will be Exempt from VAT. Where the conditions of the letting are that facilities have been hired out then part/all of the charge could be subject to VAT at the standard rate. In these circumstances advice from the Principal Accountant.
Academies will have discretion to create local rules for advance payment but the maximum period allowable is 4 weeks (one month) in arrears.

All hirers will be required to settle their account within 30 days of invoice date. Where payment has not been received within these credit terms the academy should consider stopping any future lettings, until any outstanding debts have been cleared.

Monitoring Arrangements

The academy responsible officer will be responsible for the day to day monitoring of lettings to ensure that hirers comply with the academy's conditions of hire and do not cause any damage or disruption to the academy facilities.

Appendix A

Terms and Conditions of Hire *(Academy specific items to be added where applicable)*

- The period of hire, as specified on the Lettings Application Form, is a contract to hire the facilities for the duration as specified and full payment of the appropriate charges must be paid. Failure to pay for the complete hire period may result in full payment being legally pursued.
- The academy reserves the right to cancel the letting with immediate notice.
- We require a minimum of 48 hours' notice for any cancellation or amendment of a booking made by the Hirer. Failure to receive the required notice period may result in the full charge being made to the hirer
- All electrical items must be fully PAT tested before use within the academy premises
- The premises will be left clean and in good order and vacated not later than the time booked.
- Academy furniture and fittings may not be moved nor any floors treated by hirers without the express permission of the academy.
- Except for fixed apparatus and equipment, e.g. goal posts, prior permission is required before any other apparatus and equipment belonging to the academy can be used. Should the hirer use any of the Academy equipment, they are responsible for checking the safety of the equipment. Any faults/defect identified should be reported immediately to a member of the academy site team, who will arrange for the repair of the equipment and/or take the equipment out of use.
- The Hirer shall pay to the academy all costs of repair or replacement resulting from any loss or damage to land, buildings, fixtures and equipment arising from the hiring or excessive cleaning being required as a result of the hire.
- The hirer must not sub-let to another party.
- No intoxicating liquor will be brought on to, or consumed on the academy premises
- Smoking/Vaping is NOT allowed anywhere on the site.
- The hirer must ensure that their letting does not cause any disturbance or inconvenience to the neighbourhood or interfere with other lettings in other parts of the academy building.
- The parking of motor vehicles on academy premises by hirer's, is permitted, providing appropriate space is available within the academy grounds. It should be stressed that persons bringing vehicles onto the academy's premises do so at their own risk.
- The use of the academy for the following purposes is not permitted: i) Committee rooms for candidates at elections ii) Livestock shows.
- If you intend to broadcast music during your letting please be aware that a Phonographic Performance Licence may be necessary. Please consult www.cla.co.uk for further information.
- Hirers will have exclusive access only to the particular room(s) let to them, including where it is practicable the use of a cloakroom and WC accommodation.
- The academy reserves the right to revoke without notice any contract for the hire of academy premises.

Regular / Block Bookings

- Block Bookings are available on request subject to date/site availability. Block Bookings are VAT exempt but are required to meet certain conditions:
- The booking hire form must state that this is a block booking and be signed by the hirer and the academy as written evidence that the block booking conditions will be met
- The letting must be for a period of a least 10 sessions with intervals between any 2 sessions not exceeding 14 days.
- The hirer will have exclusive use of the facility being let during the let period
- All sessions are required to be paid for even if the hirer is unable to attend.
- Refunds are only available where the academy is unable to provide the facility or a suitable alternative, e.g. a different classroom or sports pitch.

Fire Evacuation / First Aid

- The hirer will ensure that all members of their group will be made aware that if the fire alarm sounds they must evacuate immediately via the nearest possible exit and are responsible for ensuring arrangements are in place for all individuals to vacate the building in such an event and that they are accounted for.
- In the event of a Fire Alarm the below named individual will be responsible for ensuring that each member of their group leaves the building immediately via the nearest possible fire exit and assemble at the fire assembly point indicated on the enclosed Fire Evacuation map

Nominated Individual(s):

Child Protection / Safeguarding

The academy is committed to safeguarding and promoting the welfare of children and young people and expects all staff and volunteers to share this commitment.

Will your booking/ club/ organisation/ letting involve supervising children under the age of 18?
YES ☐ NO ☐

*If you answered 'YES' please continue to complete section B. If you answered 'NO' please continue to section C.

Section B I fully understand that if the club/organisation/event involves working with children under the age of 18, all of the following MUST apply:	
1) A designated Safeguarding Lead for the letting will be in place. Please detail below:	
Full Name	
Telephone Number	

Address	

2) A written policy and procedure for safeguarding all children is in place & also confirm that the policy has been communicated to all staff/workers & volunteers (involved adults)
3) I understand that it is my responsibility, as the designated hirer, to ensure that all relevant staff/ workers and volunteers (involved adults) are adequately trained in adhering to the policy and procedure for safeguarding and promoting the welfare of children.
4) I understand that all staff have relevant DBS disclosure at any appropriate level (as defined by the Criminal Records Bureau) and I also understand that I, as a hirer, have arrangements in place for checks and renewals to take place as and when required.
5) Must consider the suitability and safety of the setting for employees and participants by way of completing the hirers own risk assessment where the setting is not specifically designed for the desired activity.
6) Should have more than one emergency contact number for each child participating in the hirers activity.

If you have not confirmed the above section as detailed above, your letting will not be permitted. However, this does not prevent you from making a provisional booking subject to all safeguarding policies and procedures being in place. This must be confirmed by resubmitting this form. Failure to comply with this will result in immediate cancellation of the booking.

Section 11 of the Children Act 2004 places a legal responsibility on organisations to ensure that children and young people are safeguarded.

Public Liability Insurance

I confirm that the organisation has public liability insurance for this event.			YES NO
Name of Insurer			
Policy Number			
Valid From		Valid To	

ANNEX E: PURCHASE CARD (MULTI-PAY) POLICY

1. Introduction

This policy is part of the WAT Financial Policy Manual. For the purpose of this policy the term Purchase Card is used as this is the terminology used within the Trust. The Trust use a Multi-Pay Card and this is provided by the Trust's main bankers – Lloyds Bank.

2. Responsibilities

This policy statement applies to all employees authorised to use a Purchase Card at Windsor Academy Trust and to Headteachers.
The overall Purchase Card system is managed within the WAT Central Finance Team.
The Finance Committee will review this policy annually.

3. Background

Purchase cards (often referred to as "credit cards", "business case" or multi-pay cards") have been used in the Trust since 2017. Purchase Cards are held by authorised staff to enable certain transactions to be procured more effectively and efficiently or because the supplier will only accept payment by this means.

The administration of the Multi-Card Portal in Lloyds is carried out under the direction of the Head of Finance as the Primary Administrator with the day-to-day support carried out by the School Finance Partner (Payroll, Pensions and Systems) "PP&S".

CONDITIONS OF USE

4. Authorisation to use

Headteachers or the CEO (for WAT Central staff) are responsible for authorising which employees can use a Purchase Card. The Purchase Card is in the name of the employee and all correspondence for the Purchase Card will be to the academy or business centre address. Correspondence address should never be to the Card Holders home address.

Monthly purchase card limits per Card Holder will be set by the Headteacher in line with the needs of the academy. For limits of over £2,500 authorisation will be required by the Head of Finance and by the CFO for limits over £5,000.

5. Temporary increases to credit limits

At times for business reasons there will be a need to authorise a temporary increase to the credit limit of between 1-2 months. In this event the temporary increase can be actioned by the School Finance Partner (PP&S) and by keeping a record on the purchasing system of the reason for the increase. For temporary increases where a credit limit is over £5,000 authorisation is required by the Head of Finance.

6. Usage

Purchase Cards are a different method by which the Trust can purchase and pay for goods or services compared to the more traditional route of receiving an invoice from a supplier and paying the supplier through a BACS payment.
Purchasing goods and services through the more traditional route of purchase order-invoice-payment is the main method by which goods and services should be purchased by the Trust. Transactions through this process ensures that there is a greater chance VAT can be reclaimed in full, ensures that a spending profile by supplier is maintained within the purchase ledger and there is a greater chance that good financial control can be maintained.

However, it is acknowledged that in order to achieve better Value for Money across the Trust then the use of Purchase Cards has many advantages in particular the access provided to online purchasing; offering more competitive prices than from suppliers offering invoicing arrangements. Purchase Cards can therefore be used by the Trust in the following situations:

- To enable staff to purchase goods on-line where either the supplier would not normally allow a supplier account to be set up and value for money for the Trust can be achieved. (E.g. Online only vendors).
- To enable staff to purchase goods more effectively and at better prices.
- To prevent employees from having to use their own credit cards to make a business purchase and then seek to reclaim the funds through staff expenses.
- To facilitate the booking of travel and accommodation (e.g. incurred by Headteachers and the Executive Team).
- To facilitate an emergency purchase where the supplier requires immediate payment.
- To facilitate an urgent payment where delaying the payment (through a BACS payment) will result in the Trust incurring late payment fees and/or face legal action.

Purchase Cards should not be used to bypass the purchase order/ invoicing route.
The Purchase cards should not normally have the ability to obtain cash from a cash machine. Specific access for cash may be granted to an individual but only following approval by the Head of Finance, the limits are up to £100 and the business need for this is due to petty cash top-up.

7. Financial Control – Use of purchase orders

A Purchase Card enables the whole process of ordering. Invoicing and payment to be wrapped up into one process and transaction. For this reason, the use of Purchase Cards is attractive to staff.
However, there are some limited risks presented to the Trust if one person is able to both order goods and services and make payment which is therefore not in line with the segregation of duties that would be in place for a BACS payment. Purchase Cards are one payment and therefore the same controls and purchase ordering processes should be followed.
For this reason, (and unless the expenditure falls within an exception below) prior to use of a Purchase Card a manual Purchase Order requisition should be completed by the relevant Budget Holder.
At a local level (and depending on the number and range of transactions) the academy may decide to create an automated authorised purchase order within the accounting system.
Purchase Order requisitions are not required where:

- the nature of expenditure means that it is impractical to introduce an additional process of a purchase order (e.g. hotel accommodation and travel for Executive/Headteachers);
- there are other authorisations built into the approval process where the completion of a Purchase Order requisition is simply duplicating the workload;
- the value of the item purchased is less than £100 (exc VAT)

At a local level the Headteacher and Head of Finance may insist that all purchases must be covered by a purchase order requisition and therefore follow a standard that is higher than the above.

Any expenditure which is over £500 (exc Vat) must always have an authorised PO requisition attached or an authorised purchase card expense form completed.

8. Financial Control – Authorisation of business card statement

The Card Holder is responsible for ensuring that the purchase has been fully documented and an invoice or business receipt has been received in a format that allows the VAT to be fully reclaimed by the Trust.

The Card Holder, on a monthly basis is responsible for collating all their documents and complete a monthly authorisation sheet that lists the expenditure and coded the expenditure to the relevant cost code. This sheet must be authorised by the Line Manager to the Card Holder and returned immediately to the Finance Department for processing.

9. Financial Control – Payment of balances

In line with the ESFA ATH 2023 the Trust ensures that balances are cleared before interest accrues as the ESFA forbids Trusts accruing interest costs.

10. Card holder responsibilities

Card Holders are responsible for complying with this policy and using the Purchase Card in accordance with the "WAT Purchase Card Conditions of use" that is provided to the employee on receipt of the Purchase Card and following section 6 and section 7.

11. Central Finance Team responsibilities

The Head of Finance is responsible for overseeing the overall management of the Purchase Card system by being responsible for the ordering of the purchase cards following the completion of a declaration form by the member of staff through the Lloyds Bank online portal and for changing user details (e.g. deleting the user after he/she has left the employment of the Trust). Central Finance will also provide the temporary credit limit changes as the need arises.

12. Issue and Safekeeping

It is the responsibility of the Card Holder to keep the card safe and secure at all times. For most of the time it is likely that the card will be kept in a locked drawer or safe at the academy. Offsite additional sensible safekeeping practices should be followed.

13. Loss or theft of a Multi-Pay Card

If the Purchase Card is lost or stolen the cardholder must:

- Contact Lloyds Bank immediately. If your Card is lost, stolen or the PIN becomes known to any person other than you, or the Card or the PIN are for any reason liable to misuse, you must notify the Bank without undue delay by telephone on 0800 096 4496 (24 hours) (if abroad +44 1908 544059).

- Inform the Head of Finance and School Finance Partner (PP&S) at WAT Centre immediately.

- Inform the police if the loss is a result of theft and obtain a report number and report this to either the Head of Finance or CFO.

EMPLOYEE DECLARATION

14. Purchase Card (Multi- Pay) Declaration

The following declaration must be signed by the employee before the card is passed to that employee. A copy of the signed declaration will be kept at the Academy and a copy also held by the Central Finance Team.

WAT Purchase Card (Multi-Pay) User Declaration

Introduction

In receiving a Windsor Academy Trust Purchase you are contractually committed to adhere to the Trust's Purchase Card Terms and Conditions.
Before signing this declaration, you should read the terms and conditions carefully and make yourself aware of your responsibilities as a card holder.

The terms and conditions are summarised below:

Card Security
- On receipt of your card you will sign it immediately.
- You will not allow anyone else to use your card.
- You will keep your card and PIN safe at all times.
- In the event you lose your card you will contact the card administrator (School Finance Partner (Payroll, Pensions and Systems) Naheed Kouser immediately.

Acceptable Usage
- The card is for approved business use only.
- Continuing payment authorities (CPAS) are not permitted.
- The card is to be used in accordance with the Lloyds Bank terms and conditions, available on Lloyd's commercial card portal.

Monthly Statements
- You will retain all documentation relating to purchases made on your card, including receipts, invoices and delivery notes.
- You will monitor your card balance using Lloyds online portal to ensure you will not exceed your credit limit.
- You will submit a copy of your card's statement along with documentary evidence to your line manager/Headteacher for authorisation each month

Failure to meet any of the terms and conditions may result in a disciplinary and/or dismissal.

Cardholder Declaration

Print Name:	
Signed:	
Date:	