



**ENDEAVOUR
MAT**

Finance Regulations Manual

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1 Introduction

1.1 Purpose of this manual

The purpose of this manual is to ensure Endeavour MAT maintains and develops systems of financial control which conform with the requirements both of propriety and good financial management. It is essential that these systems operate properly to meet the requests of our funding agreement with the Secretary of State for Education, through the Education Funding Agency (ESFA) as well as our objects and obligations as a charity and the requirements on us as company limited by guarantee.

The Trust is required to comply with the principles of financial control outlined in the Academy Trust Handbook and this manual addresses those requirements and expands on that, providing specific detail on the Trust's procedures and systems. This manual should be read by all Trustees, Local Governors, Senior and Middle Leaders as well as all Central Finance staff, budget holders, card holders and any other staff involved in decisions with financial implications.

This manual complements the scheme of delegation and provides information for the day-to-day operations and practices of the Trust and will be reviewed regularly and any changes approved by Trustees. This manual applies to Trust and all schools within the Trust. any instances of non-compliance with this manual must be reported to the Chief Operating Officer (COO) and may be reported to Trustees and or the ESFA as appropriate.

The following policies should be read alongside this manual for a full understanding of the financial arrangements of the Trust:

- Charging and Remissions Policy
- Whistleblowing Policy
- Gifts & Hospitality Policy
- Central Funds and Reserves Policy
- Trustee & Governor Expenses Policy

2 Organisation and Financial Responsibilities

The Trust has defined the responsibilities of each person involved in the administration of Trust finances to avoid duplication or omission of function and to provide a framework of accountability for Trustees and staff. The key financial responsibility within the Trust are outlined below.

2.1 The Board of Trustees (Directors of the company)

The Board of Trustees has overall responsibility for the administration of the Trust's finances. The Board is responsible for managing the financial affairs to ensure regularity, propriety and value for money, and for ensuring that the Trust's funds are used in accordance with charity law, company law and the funding agreement.

The Trust Board delegates certain powers, which are detailed in the Trust's Scheme of Delegation, to its Committees and to key members of staff. The Scheme of Delegation, along with the Terms of Reference for each Committee are reviewed and approved by the Board at least annually.

2.2 The Finance, Resources, Audit & Risk Committee

The Finance, Resources, Audit & Risk Committee is a Committee of the Board and meets three times a year, once a term.

In summary, the financial responsibilities delegated to the Finance, Resources, Audit & Risk Committee include:

- To support and advise the Board in ensuring the financial viability of the Trust;
- To ensure the effective use of resources and stewardship of assets across the Trust and schools;
- To direct the Trust's programme of internal scrutiny and report to the Board on the adequacy of financial and other controls and management of risks; and
- To monitor and ensure compliance with the Academy Trust Handbook and other regulatory requirements.

The responsibilities of the Committee are detailed further in written Terms of Reference, which have been authorised by the Board of Trustees.

2.3 Internal Scrutiny

The Finance, Resources, Audit & Risk Committee will direct a programme of internal scrutiny covering financial and non-financial risks, consider the results and ensure opportunities to strengthen financial management and controls are identified and implemented.

To support them in this a programme of assurance testing will be directed by the Committee to be undertaken by suitably qualified and independent professional auditors and, where appropriate in respect of non-financial risks, other consultants. This shall not be the same firm of auditors engaged to provide external audit services.

2.4 The Accounting Officer

The Trust have appointed the Chief Executive as the Accounting Officer. The Accounting Officer is personally responsible to Parliament, and to the ESFA's Accounting Officer, for the Trust's financial resources and must be able to assure high standards of probity in the management of public funds through regularity, propriety and value for money as well as adherence to the 7 Principles of Public Life:

- Leadership
- Accountability
- Selflessness
- Openness
- Objectivity
- Honesty
- Integrity

The Accounting Officer will have oversight of financial transactions by:

- Ensuring the Trust's property and assets are under the Trustees' control and measures exist to prevent loss or misuse;
- Ensuring bank accounts, financial systems and financial records are operated by more than one person; and
- Keeping full and accurate accounting records to support the annual accounts.

The Accounting Officer will advise the Board in writing if an action it is considering is incompatible with the articles, funding agreement or the Academy Trust Handbook or if the Board fails to act in accordance with the same. And further, if the Board proceeds in contravention then the Accounting Officer will notify the ESFA's Accounting Officer immediately in writing.

It is important to all staff to be aware that purchase of alcohols is strictly prohibited by the ESFA and the Trust will not purchase or refund any expenses in respect of this.

2.5 The Chief Financial Officer

The Board have appointed the Chief Operating Officer (COO) as the Chief Financial Officer (CFO) and to whom responsibly for financial procedures is delegated and who plays both a technical and a leadership role. As is appropriate for a Trust of our size the Chief Financial Officer is a qualified and experienced accountant, bound by the professional standards of the Chartered Institute of Public Finance & Accountancy.

The main responsibilities of the CFO are:

- establishment and operation of a suitable accounting system;
- management of the Trust's financial position at a strategic level and oversight of the position at an operational level through a framework of financial control in accordance with the scheme of delegation;
- implementation of rigorous and robust audits and controls; and
- ensure that the annual accounts are properly presented and adequately supported by the underlying accounting records of the Trust.

These CFO will lead a team of finance staff with the relevant skills and experience to enable them to discharge their duties effectively.

2.6 Other Members of Staff

Other members of staff, primarily Head Teachers, the School Business Managers (SBMs), and budget holders, will have some financial responsibilities and these are detailed in subsequent sections of this manual. All staff are responsible for the security of Trust property, for avoiding loss or damage, for ensuring economy and efficiency in the use of resources and for conforming with the requirements of the Trust's financial procedures.

3 Register of Interest and Related Parties

It is important for anyone involved in spending public money to demonstrate that they do not benefit personally from the decisions they make. To avoid any misunderstanding that

might arise, all Members, Trustees, Local Governors, senior leaders and staff with significant financial or spending powers are required to declare any financial interests they have in companies, organisations or individuals. In respect of Members, Trustees and Local Governors the register is publicly available via the Trust/ school website.

The register must include all business interests such as Directorships, Trusteeships, shareholdings or other appointments of influence within a business or organisations for those key postholders listed above, or their close family.

The existence of a register of business interests does not detract from the duties of Trustees and staff to declare interests whenever they are relevant to matters being discussed at a Trust or Local Governing Body meeting.

Where a financial transaction or relationships is being considered that would involve a company, organisation or individual listed on the register or otherwise representing a Related Party this should be discussed with the CFO at the earliest opportunity and most certainly before any commitment has been made to enter into a contract or relationship. Such transactions can only be entered into in accordance with the requirement to report them in advance to the ESFA (Education & Skills Funding Agency) and for transactions over £40,000 only after obtaining the permission of the ESFA in advance and after considering how the requirement for "**at no more than cost**" and "**on the basis of an open book agreement supported by statement of assurance**" in relevant circumstances.

It is noted that the Trust's strong preference is to avoid any and all related party transactions in the interests of transparency and to even the inadvertent appearance of a conflict of interest.

4 Fraud Prevention

4.1 The Trust operates a vigilant, proactive and zero tolerance approach in fraud prevention:

- Trustees consider the risk of fraud as part of wider risk management and each year review the controls, systems and procedures (including separation of duties, dual authorisation and reconciliation reviews) in place by design as part of the review of this document
- Staff are encouraged to report any suspicion of fraud under the Whistleblowing Policy
- All instances of suspected fraud are investigated, appropriate disciplinary and or legal action is taken along with appropriate reporting to the ESFA.

The Finance, Resources, Audit & Risk Committee holds the delegated responsibility for oversight in this area. Instances of attempted fraud have been rare in the organisation however all staff are encouraged to embrace a fraud aware approach, an open mind to the potential risk and to be prepared to report any suspicions.

5 Financial Planning

The Trust operates both short term budget setting and medium-term financial planning (MTFP) and utilises a model of Integrated Curriculum & Financial Planning (ICFP) to inform robust financial management.

5.1 The Financial Planning Cycle

The annual financial planning cycle follows the milestones set out below and is managed by the Head of Finance (HoF):

- Autumn term (September – December):
 - Assess the need for budget review in line of October Census pupil numbers
 - Use of ICFP shape and inform both curriculum review and financial planning
 - SBMs, Premises Managers and Head Teachers update Maintenance & Improvement Programmes (MIPs – 5 year rolling programmes) following summer works completed
- Spring term (January – March):
 - Funding Statements received and used to update income projections
 - FRAR sets budget setting and MTFP core assumptions and guidance
 - SBMs, Premises Managers and Head Teachers discuss and propose summer works programmes for the coming round
- Summer term (April – July):
 - A prioritised schedule of desired summer works programmes are confirmed by the end of the first week of the summer term
 - SBMs and Head Teachers propose a balance or surplus budget to their LGB during May (Draft) and June (final)
 - The CFO proposes a balance or surplus Trust-wide budget to FRAR in early July
 - Trust Board considers and approves a proposed balance or surplus budget at the final meeting of the year in mid-July.

5.2 Rolling Forward of Unspent Budgets

Unspent balances against budgets allocated to individual Budget Holders will not normally be rolled forward from one year to the next unless they relate to specific ring-fenced grants. Where, at the discretion of the Head Teacher a Budget Holder is permitted to add any unspent budget to the following years normal allocation this must be agreed before 31 May, reflected in the proposed budget agreed by the Local Governing Body and therefore must still result in a balanced budget.

5.3 Budget Virements

It is not envisaged that there will be a regular need for the processing of virements and in general these should be restricted to instances where:

- Responsibility for a project or activities transfers from one area of reporting/ Budget Holder to another on a permanent/ long term basis; or

- A significant and specific change in policy or need (such as the reduction or withdrawal of budgets required as part of measures to eliminate a projected deficit or the need to employ agency staff if employee appointments cannot be made for a specific post)

Where virements are proposed they must be authorised and reported in accordance with the limits set out in appendix 1.

5.4 Budget Monitoring and Review

The Head of Finance will issue a timetable for monitoring and reporting (along with other finance activities and key dates applicable across the trust) each year in September. This will consist of:

Frequency	Action	Responsible
Monthly	Prepare a budget monitoring and projection report and accompanying analysis and submit this to the HoF (copied to Chair and/ or nominated finance lead(s) on Local Governing Body)	School Business Manager (in conjunction with Head Teacher)
Monthly	Prepare a consolidated Trust wide budget monitoring and projection report and analysis – to be shared with all Trustees	HoF (in conjunction with the CFO)
(Long) Termly	Budget Holders to provide SBMs with updated projections (this could be as simple as confirmation of spending to no more than the original budget)	Budget Holders
(Long) Termly/ at each meeting	Latest budget monitoring report and analysis to be presented to Local Governing Body	School Business Manager

The HoF will lead on the production of annual final accounts and the Annual Accounts Return to the ESFA and liaise with the external auditor in support of the CFO to ensure that accounts are filed to required deadlines.

5.5 Capital Projects

All capital projects will have a ledger account created to enable monitoring of both any capital income (such as CIF grants) and capital expenditure. The COO (supported by the Head of Premises & Estates) will have oversight of all large capital projects, those above £50,000 (below this School Business Managers will work with Premises Managers to oversee smaller projects) and will report on all active capital projects monthly as part of wider financial monitoring and reporting.

6 Accounting System & Core Procedures

All financial transactions of the Trust must be recorded on the Iris Financials accounting system. Access to Iris is password controlled and the CFO is responsible for determining access levels for all members of staff using the system.

6.1 Coding Structure & Transaction Processing

The HoF will maintain a Coding Guide reference document to enable Finance staff and SBMs to code budgets and transactions correctly. Adhering to the Coding Guide will enable the quick and efficient preparation of returns and submissions in line with ESFA requirements and the meaningful comparison and benchmarking between schools within the Trust and others via the ESFA.

All transactions input to the accounting system must be authorised in accordance with the procedures specified in this Manual.

Reconciliations

6.2 Account Reconciliations

The HoF will ensure monthly reconciliations are undertaken and reviewed for:

- All Trust bank accounts
- All Payroll Control accounts
- All VAT Control accounts
- Debtors and Creditors Control accounts
- Any other control account that may be created as necessary

These reconciliations will be reviewed and signed off as complete and correct by the CFO and relevant action taken in follow up.

7 Cash, Treasury Management & Investments

The Trust operates a cashless policy in all areas and does not operate a petty cash system.

7.1 Bank Accounts

The Trust will hold and maintain a single set of bank accounts. These bank accounts will be used for the activities of all schools in the Trust and of the Trust Central Team. These bank accounts will be limited to:

- One Main Current Account – for all general payments and receipts
- One 32 Day Notice Account – for depositing cash at a higher rate of interest than applies to the current account
- Fixed Term Deposit accounts – opened on an ad hoc basis when the cash position is such that additional income can be secured without jeopardising the Trust's liquidity.

The Trustees have approved Lloyds as bankers to the Trust and that other than in relation to fixed term deposits (to be approved by the CFO) any changes or additions to the accounts above will require prior approval from Trustees.

Where the Trust acquires responsibility for additional bank accounts due to the onboarding of another school, these will be maintained only for as long as is required for an orderly transition and will then be closed.

The HoF, CFO, CEO and Chair of Finance, Resources, Audit & Risk Committee will all have Administrator access to the online banking system and a dual authorisation will apply to both administrator changes.

7.2 Cashflow/ Treasury Management and Investment Policy

The HoF will oversee preparation and monitoring of cash flow forecasts, reviewed by the CFO, to ensure that the Trust has sufficient funds available to pay for day-to-day operations, while at the same time maximising income from deposits.

The CFO will review future cash requirement and, where possible, place funds on time-based deposits (either in the 32-day notice account or specific fixed term deposits) to maximise investment income. Deposits will only be made through the Lloyds Bank facility, in order to secure such additional income as can be obtained while pursuing low risk to the loss of such cash funds.

8 Ordering and Purchasing

The Trust aims to achieve value for money on all purchases. The majority of purchases will be paid for with public funds and therefore we need to be able to demonstrate that we have sought best value from those funds and indeed all funds at the Trust's disposal.

Every budget holder has a responsibility to ensure that:

- the correct goods are purchased;
- the right quantity is purchased – bulk purchases may offer a lower per unit price but this must be balanced to ensure there is no wastage;
- the appropriate quality is purchased – goods/ services must be fit for purpose but not over specified;
- the right price is paid – value for money needs to be demonstrated
- the money spent is an appropriate use of funds;
- no personal gain is being made by any member of staff, or relative of a member of staff, as a result of a purchasing decision.

8.1 How to Buy and Pay for Purchases, Goods & Services

In order to enable budget holders and the Trust to manage these responsibilities three key routes are in place for buying goods and services and all staff are expected to respect and utilise these (in priority order):

- raising and authorisation of a Purchase Order through the system;
- emailing a request to purchasing@endeavour-mat.co.uk for any items that cannot be ordered through the system
- For Purchasing Card holders: use of dedicated Trust purchasing card for its specified purpose only

- In rare instances, for emergency purchases, the SBMs Purchasing Card.

Only the Finance are authorised to place orders on behalf of the Trust and its schools and all staff are expected to respect this and refrain from committing to spend directly.

In the event of any usual situation or uncertainty staff are expected to contact purchasing@endeavour-mat.co.uk at the earliest opportunity for assistance.

These arrangements mean that there should be very few expense claims that do not relate to offsite CPD/ work related travel and as such the Trust reserves the right to refuse reimbursement of expenses that have resulted from a failure to follow the relevant procurement method.

8.2 Choosing a supplier

When considering where you wish to procure goods and services from Budget Holders will need to be mindful of the thresholds set out below requiring a sliding scale of evidence needed to demonstrate value for money and appropriateness of spend. For lower value purchases this will be relatively light touch but as the value of the financial commitment increases so will the necessary considerations, up to and including ensuring compliance with Public Contracts Regulations (PCR) compliance.

In recent years the DfE has reviewed and approved a number of framework agreements and providers that provide a robust, compliant and accessible route to suitable suppliers ([DfE Find a Framework Tool](#)).

Frameworks operated by a range of organisations and provide access to reputable suppliers, with agreed terms and conditions and legal protections and it is the Trust's strong preference that wherever possible procurement decisions, particularly those over the "three quotes" threshold, utilise such frameworks. Budget holders considering such a purchase should contact purchasing@endeavour-mat.co.uk for assistance.

8.3 Purchasing Thresholds and Budget Approval Limits

The following thresholds and budget approval limits apply to all expenditure:

Budget Area	Value (<i>within budget</i>)	Decision Maker
Up to £1,500 – Use of a Framework or three quotes recommended		
Library and similar school level budgets	Up to £500	Role holder (e.g. Librarian)
Office and similar school level budgets	Up to £1,000	Role holder (e.g. Office Manager)
Curriculum/ teaching department budgets and similar	Up to £1,500	Role holder (e.g. Office Manager)
Over £1,500 but up to £7,000 – Use of a Framework or three quotes recommended and may be requested by Purchasing if not provided on a suitable purchase		

Premises, IT, SLT budgets and similar	Up to £7,000	Role holder (e.g. Premises Manager, IT Manager, Deputy, Assistant or Associate Assistant Head)
Over £7,000 but up to £30,000 – Use of a Framework is required, or CFO (via Purchasing) approval to waive this or use alternate procurement process		
General applicability	Up to £30,000	Head Teacher, School Business Manager, Central Team Head of Service or similar
Over £30,000 – referral to CFO (via Purchasing) to confirm an appropriate PCR compliant process to be followed		
General applicability	Unlimited	Trustees (Finance, Resources, Audit & Risk Committee or Trust Board)
Routine but high value items in specified circumstances		
Exam Board entry payments	Unlimited	CFO - after documented confirmation from Exams Officer and Head Teacher, via Purchasing
Trip deposits and payments		CFO - after documented confirmation from Educational Visits Co-ordinator, via Purchasing

In line with the above it is to be noted that only the following staff are authorised to sign any form of contract or agreement on behalf of the Trust (or any of its schools):

Limit of Contract Signing Authority	Authorised signatory
£30,000	Head Teacher, School Business Manager or Head of Finance (subject to the limits and requirements above having been discharged)
Unlimited	CFO or CEO with prior Trustee approval as required above

8.4 New Suppliers

The Trust have established a selection of Trust wide suppliers for the day-to-day items often purchased and these can be accessed easily via the Purchasing system by budget holders and a full list can be found in the Endeavour MAT Staff Portal for reference.

However, should a proposed purchasing decision require a new supplier to be considered it is **important to note that there will be a lead-time required** to undertake the following checks before the new supplier will be approved. The checks that will undertaken by Finance are:

- Check the company address and phone details on their website
- Confirm the company's existence on the Companies House website
- Verify VAT registration details on the EC website (http://ec.europa.eu/taxation_customs/vies/)
- Confirm the payment terms that have been secured

- Confirm that a satisfactory credit check has been run using the Trust's credit checking facility
- Confirm that the supplier does not represent a Related Party
- Confirm that the HMRC Check Employment Status for Tax (CEST) tool supports payment as a supplier rather than an employee
- Bank details will be obtained directly from the company, independently and on headed paper/ communications.

The results of these checks will be reviewed and approved/ appropriate action specified, by the HoF and retained on file. The BACS payee database on Commercial Banking Online (and Iris) will then be updated and authorised for use by two approvers.

8.5 Payment Terms

The Trust will seek standard payment terms of 30 days from date of invoice, and payments in advance will generally not be agreed (with the exception of annual subscriptions and deposits/ payments to secure bookings for trips, venues, advertisements etc.). This protects the Trust from the risk that a supplier may not deliver goods or services as agreed, or may become insolvent before delivering pre-paid goods/ services.

The Trust is in very good financial standing and does not generally experience a difficulty in securing "30 day" terms when dealing with reputable suppliers.

Where payment in advance (or stage payments for works) is requested (outside of the examples above) approval of the CFO will be necessary in order to agree to these terms and to.

8.6 Goods and Services Received

Budget Holders are responsible for checking the goods received against their order to ensure that any discrepancies are identified and communicated to Purchasing (and through them the supplier) promptly and completing the GRN (Goods Received Note) on the Purchasing system. **Please note:** some suppliers have a specified, often short, period for discrepancies to be raised with them so this needs to be undertaken as swift as possible.

Finance will review incomplete orders on a monthly basis and request confirmation as to the status of the order.

If any goods are rejected or returned to the supplier because they are not as ordered or are of sub-standard quality the Budget Holder must notify Purchasing immediately via purchasing@endeavour-mat.co.uk, so that payment can be held (this is particularly important if the GRN has already been processed).

9 Paying Suppliers

When invoices are received by Purchasing they will be checked against the original Purchase Order and any discrepancies raised with the Budget Holder.

Although this should be the exception, occasionally invoices will be received without a Purchase Order having been raised. In these circumstances Purchasing will have to identify the appropriate Budget Holder, post the invoice to the system and request that the invoice be authorised for payment. Such an absence of a Purchase Order can cause delays in the payment process, as time is spent identifying the correct Budget Holder and awaiting authorisation.

9.1 BACS Payments

All suppliers will be paid by BACS (after an initial payment by Faster Payment method as part of verification of bank details). There will also be a number of authorised Direct Debits in place.

In preparing for a BACS or Faster Payment run the Senior Finance Officer will upload the BACS file to the Lloyds Commercial Banking Online facility and BACS/ payment remittances will be sent electronically. Transaction listings will be extracted from the Iris and Lloyds Commercial Banking Online systems and used to record the review of the Purchase Order and invoice records in accordance with the Schedule of Delegated Limits in Appendix 1 (summarised below) and the bank mandate. The signatories will then approve and release the payments on the Commercial Banking Online system.

Signatory 1	Signatory 2
Senior Finance Officer or Head of Finance	Head of Finance (where not also signatory 1) or COO or CEO Or Chair of Finance, Resources, Audit & Risk Committee

It is important to note that at this stage in the process the objective is to ensure payments are made accurately, not to authorise the expenditure (this was done at the Purchase Order stage). Therefore, the exercise here focuses on confirmation of the makeup of the payment run as being supported by the Iris audit trail (Purchase Order, GRN and invoice records) and verification (from a fraud prevention perspective) that the bank payment details are correct and as noted on the dual authorised database.

9.2 Direct Debit Payments

Suppliers that are paid by direct debit will be set up as such on the Purchase Ledger so that transactions relating to them do not appear on any payment run. Nevertheless, all documentation relating to Direct Debits will be properly authorised by the relevant Budget Holder (and School Business Manager) as this must then be sent to the Head of Finance and sufficient bank mandate signatories obtained to set up the payment method with the supplier.

10 Debit and Credit (“Purchasing”) and Other Card Facilities

10.1 Purchasing Cards

Purchasing cards will only be issued for the express function of obtaining goods and services for the Trust/ the relevant school, or for payments relating to business expenses incurred in the course of the card holder’s official duties.

Purchasing cards will only be issued with the permission of the COO and based on a sound case being made to support the need. Acceptable reasons for need should be based on one of the following:

- The need to make regular, low value purchases of fresh/ perishable items (e.g. for Food Technology or science experiments)
- The need to make purchases **quickly** from telephone or online sources for economy and efficiency (e.g. for maintenance, repairs and other premises related projects)
- Travel related expenses for staff traveling most frequently (e.g. for train travel to DfE/ ESFA meetings)

Purchasing card holders will be responsible for items purchased and will need to ensure that a relevant Budget Holder (if they are not also the Budget Holder) has approved the expenditure in advance of using the card. The card holder will be responsible for submitting full (and where relevant VAT) receipts and authorised paperwork on a monthly basis. In the event of repeat failure or excessive delay in submitting relevant paperwork the COO may decide to withdraw the facility.

Additionally, each School Business Manager will be issued with a purchasing card for each school that should be used on the very rare occasions for necessary physical/ on the day/ out of hours purchases that are needed more quickly than allowed by other payments routes. All other card purchases should be made via the Purchasing system or requested via Purchasing on purchasing@endeavour-mat.co.uk.

See Appendix 2 for a list of Purchase Card Holders and agreed purchasing limits.

Purchase Cards are not permitted as a payment method in circumstances where a conflict of interest exists, even when the conflict has been duly noted and considered by Trustees.

10.2 Debit Card

The COO will hold a debit card facility to enable payments of exceptional nature or size that would be anticipated to occur only very infrequently, but are vital to the smooth running of operations, need to be processed quickly or cannot be paid any other way.

After each use of the debit card the CFO will evaluate if there is a need to increase any purchase card facilities in order to maintain normal operations or if the circumstances of the need for use are restricted. Each use of the Debit Card will also be reported to the next Trustee Board meeting.

The evidence requirements for use of the debit card will be as for purchase cards and will rest with the COO to implement as the card holder.

The Debit Card is not permitted as a payment method in circumstances where a conflict of interest exists, even when the conflict has been duly noted and considered by Trustees.

10.3 Pre-paid Currency Card

For overseas trips deemed to require access to significant value of funds during the trip on the part of the trip leader will be allocated a pre-paid/charged currency card. This will be provided to the trip leader on request, requiring a minimum of two teaching weeks' notice and sent to Finance@endeavour-mat.co.uk. The card will be provided for the duration of the trip only. All such arrangements will require the authorisation of the HoF or COO for a pre-paid card to be issued and equivalent documentation requirements to those of a Purchasing Card holder apply.

11 Payroll, Expenses and Payments to Staff

11.1 Staff Appointments

The staff structure for each School will be reviewed as part of the annual budget setting process and any changes to staffing will only be made with the agreement of the CEO and CFO once budgetary implications have been considered.

Any changes to staffing made during the year (including the filling of vacancies arising from resignations, change in hours or pay) must be confirmed as within the budget by the CFO or Head of Finance before advertisement, based on completion of a request from the relevant Head Teacher to ensure changes are:

- within the budget set for the year; or
- that an agreed plan is in place that will fund the appointment.

In most cases, where a routine like for like replacement is requested, this will be a quickly discharged formality, but the process will usefully ensure that appropriate consideration of changes and flow of information takes place before commitments are made.

The outcome of the annual performance related pay review will be subject to the approval of the relevant Pay Committee in line with the Trust Pay Policy.

Severance payments to staff will not normally be made over and above contractual obligations, but in the event that they are deemed necessary the CEO and CFO will both need to authorise the payment and the Chair of the Trust would need to authorise any relevant payment over £50,000 and the ESFA's permission would need to be obtained in accordance with the Academies Handbook.

11.2 Payroll Administration and Processing

The Trust's payroll is processed from information collated and administered by the HR & Payroll Team.

Each month the HR & Payroll Team will process all authorised changes (new starters, leavers, changes to hours or allowances etc.) notified to them and duly authorised.

Changes to bank details must be actioned by staff members personally within the self-service payroll portal.

11.3 Payroll Payments

Before payroll is finalised each month an independent check is performed by the Head of Finance and COO to ensure all, and only, authorised changes have been made to ensure accuracy. Any such changes in relation to the COO's pay (other than from inflation to scales as applied to all) will be checked and confirmed at this stage by the CEO.

Payments to staff and other agencies (HMRC, Teachers Pensions, LGPS, unions etc.) are made by BACS and processed by the Head of Finance on final authorisation of the COO.

11.4 Expenses Claims & Reimbursements - Staff

Actual travelling and reasonable out of pocket costs (generally related to personal subsistence when off-site) incurred by employees wholly, exclusively and necessarily in the performance of their duties will be refunded to them.

As all purchases should be made through Purchasing (via the system or purchasing@endeavour-mat.co.uk or a relevant Purchasing Card held for the purpose) this means that there should be very few expense claims that do not relate to offsite CPD/ work related travel. As such the Trust reserves the right to refuse reimbursement of expenses that have not followed the relevant procurement method.

An expenses claim must be completed within the self-service payroll portal (EduPay). Such claims will need to be authorised by the appropriate budget holder in the structure set within EduPay and reimbursement will be made alongside payment of salary.

See Appendix 3 for a schedule of approved Rates of Reimbursement.

12 Income

12.1 Grant Income

SBMs are responsible for ensuring that the Head of Finance receives a copy of all funding schedules and agreements for grant and similar income, other than those issued directly by the ESFA.

The Head of Finance is responsible for checking grant income against the schedules from the ESFA and Local Authority for high needs funding or other agreed funding, reporting any discrepancies to the COO and following up with SBMs.

12.2 Trips Income

Educational Visits Co-ordinators (EVCs) will ensure that the appropriate risk assessments and other checks are carried out before a trip is approved, in line with the EVC Policy and will act as the Budget Holder for approval purposes within the Purchasing system.

All schools in the Trust will operate a cashless policy (using ParentPay) with regard to school trips (as well as any other payments/ contributions from parents).

In accordance with the EVC Policy a list of payers/ non-payers will be provided to the lead member of staff periodically and it is the responsibility of the lead member of staff to chase for outstanding payments in respect of a trip.

12.3 Lettings Income (where applicable)

Only one school within the Trust currently offers lettings (Wilmington Primary School). These lettings are restricted in nature and it is not a publicly advertised facility. The Trust will recognise and adopt the school's policy and practise in this area, subject to further review at a later date.

12.4 Other Income

Other income may be invoiced periodically by the Finance Team at the request of the relevant School Business Manager, with appropriate supporting information. All invoices must be raised on the Iris system promptly (and a copy along with supporting documents retained).

No debts will be written off without the approval of the CFO and only in accordance with the limits set out in the Schedule of Delegated Limits (Appendix 1).

13 Fixed Assets

13.1 Asset Register

Each school is responsible for maintaining an inventory of equipment in order to safeguard them as assets of the Trust.

Any purchases representing assets to be capitalised (individual items over £5,000 or grouped assets over £25,000 in total) must be notified to the Head of Finance (at the time of purchase) to ensure that these are recorded on the Fixed Asset Register.

13.2 Disposal of Assets

Items that were previously capitalised and which are to be disposed of by sale or destruction must be authorised for disposal by the CFO. For items with a net book value of over £10,000 approval must also be sought from the Chair of the Finance, Resources, Audit & Risk Committee. Where relevant items should be sold following a competitive sale process.

Disposal of equipment to staff is not encouraged.

The proceeds from the sale of capital items will be treated as capital income and used for the purpose of reinvesting in school/ Trust assets.

Any disposal of land or buildings must be agreed in advance by the Secretary of State.

13.3 Loan of Assets

Items of Trust property (other than where specifically issued in order to facilitate mobile working) must not be removed from the relevant Trust premises without the prior permission of the relevant SBM, a record of any such loan must be kept and the record updated when the item has been returned.

14 Insurance & Risk Management

14.1 Insurance

All schools within the Trust will have membership of the Risk Protection Arrangement (RPA) and as such the Trust as a whole will be part of the RPA. The RPA is an equivalent to commercial insurance, but is backed by the UK Government and is offered at a competitive rate to schools.

For those residual areas that still require a commercial insurance policy:

- Minibuses
- Occasional Business Use of staff owned vehicles
- Statutory Engineering Inspections (not strictly an insurance but generally provided alongside insurance)

the Trust has established a group policy co-ordinated centrally and it will be the responsibility of School Business Managers to inform the Head of Finance of any new risks or items requiring cover.

Each school will display the relevant RPA certificate of membership which serves as a statement of Employer Liability Insurance under the scheme.

The School Business Manager shall inform the Head of Finance of any claims to be made to the insurers or the RPA.

14.2 Risk Management

Risk Management is an integral part of good governance and is the process whereby there is:

- shared awareness and understanding within schools and the Trust of the nature, likelihood and potential impact of risks faced along with the level of acceptance and mitigating actions associated with them;

and

- regular and ongoing monitoring and reporting of risk, including early warning mechanisms.

In order to achieve the above the Trust has the oversight of risk management through the review of risk registers prepared by each school and maintains a risk register for the Trust's central activities.

Reviews and updates of all risk registers are undertaken and reported to Trustees periodically. These arrangements are set out in more detail in the Trusts Risk Management Strategy.

15 Reporting to the ESFA and Obtaining Permissions

The Trust is required to report any instances of fraud or theft against the Trust above £5,000 to the ESFA, regardless of the nature, cause or source.

There are a number of areas where a requirement to obtain ESFA approval applies, these are:

- Special Payments – compensation and ex gratia
- Staff severance payments of £100k or more which include a non-statutory/non-contractual element, and/ or where the employee earns over £150k
- Write offs of debts and losses over the delegated figure
- 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
- Taking up a finance lease, other than in respect of any asset on the DfE Approved list covering:
 - IT equipment
 - Telephony
 - Catering & cleaning equipment
 - Furniture
 - Bathroom & sanitary items
 - Gym equipment
 - Groundskeeping equipment
 - LED lighting systems or to otherwise support renewable activity (where sourced from the DfE buying for schools section or one of its recommended frameworks.
 - Minibuses and other vehicles for school use
 - Temporary classrooms/ school structures (but not the land that they might sit on)
- Novel, contentious and repercussive transactions
- Borrowing
- Entering into new lease arrangements (outside of a specified list of activities)
- Entering into a related party transaction above £40,000
- Entering into a new electric vehicle salary sacrifice scheme or accepting any further employees into such a scheme once established

If the need to report any item in this section should arise, the CFO will inform the Chair of the Trust and of the Finance, Resources, Audit & Risk Committee and report this to the next Trust Board meeting.

Appendix 1 – Schedule of Delegated Limits

	SoS	TB	FRAR	CFRAR	CFO	CEO	HoF	SFO	HT	SBM	BH
Approve the annual budget for the Trust		✓									
Appoint Chief Financial Officer/ COO		✓									
Approve Budget Virements up to:		Unltd.			£50,000				£10,000		
Approve Banking and investment/ deposit facilities:		✓									
Approve writing off of bad debts and entering into liabilities per transaction (max £250k):	Unltd.	Unltd.			£1,000						
Approve disposal of fixed assets up to a net book value of (excluding land/ buildings):				Unltd.	£10,000						
Approve acquisition or disposal of land/ buildings:	✓										
Approval of specific investment/ deposit decisions (by time commitment) up to:		Unltd.			1 year						
Approval of new purchase card holders and changes to limits					✓						

Approval of staffing appointments – within compliment/ budget:					✓		✓				
Approval of staffing appointments – above/ varied from compliment/ budget (both required):					✓	✓					
Approval of routine payroll – amendments from schools/Trust:					✓	✓			✓		
Approval of payroll BACS run:					✓						
Severance payments up to (both need for £10k CEO/COO):	Unltd.	£50,000			£10,000	£10,000					
Purchase Order/ payment approval up to (as per para 7.3):		Unltd.			£30,000 ²	£30,000 ^{1,2}			£30,000	£30,000	As per para 7.3
Contract/ lease signing authority up to:					Unltd.	Unltd.	£30,000		£30,000	£30,000	
BACS/Faster Payment:					✓ ³	✓ ³	✓ ³	✓ ³			
Approval of additions and amendments to supplier BACS database (both needed)					✓		✓				

Key to Acronyms:

SoS	Secretary of State
TB	Trust Board
FRA&R	Finance, Resources, Audit & Risk Committee
CFRA&R	Chair of Finance, Resources, Audit & Risk Committee
COO	Chief Operating Officer (incorporating CFO)
CEO	Chief Executive Officer
HoF	Head of Finance
SFO	Senior Finance Officer
HT	Head Teacher
SBM	School Business Manager
BH	Budget Holder
Unltd.	Unlimited

Notes:

- 1 In place as a holiday cover/ fall-back position to maintain continuity of operation, not intended as a routine duty.
- 2 Increasing specifically in relation to expenditure noted in the relevant table in para 7.3.
- 3 Made up of: one of either SFO, HoF or CFO plus one other (excluding SFO) not already used.

Appendix 2 - List of Approved Purchase Card Holders and Related Limits

School/ Trust Location	Purchase Card Holder	Approved Limit
<i>EMAT Head Office:</i>		
	CEO	£1,000
	COO	£1,000
	Head of Finance	£5,000
	Senior Finance Officer	£5,000
	Finance Officer	£10,000
	Head of Premises & Estates	£2,000
<i>Wilmington Grammar Schools for Boys:</i>		
	School Business Manager	£1,000
	Premises Manager	£2,000
	Senior Science Technician	£500
	Food Technology Technician	£500
<i>Wilmington Grammar Schools for Girls:</i>		
	School Business Manager	£1,000
	Premises Manager	£2,000
	Senior Science Technician	£500
	Senior Technology Technician (Food)	£500
<i>Stone Lodge School</i>		
	School Business Manager	£1,000
	Premises Manager	£2,000
	Senior Science Technician	£500
<i>Wilmington Primary School</i>		
	School Business Manager	£1,000

Appendix 3 - Schedule of Rates of Reimbursement

Type of Reimbursement		Rate	Notes
Travel	Car mileage – for first 10,000 miles in any tax year	£0.45 per mile	Based on HMRC allowance
	Car mileage – Above 10,000 miles in any tax year	£0.25 per mile	Based on HMRC allowance
	Passenger supplement	£0.05 per mile	Based on HMRC allowance
	Motorcycle mileage	£0.24 per mile	Based on HMRC allowance
	Cycle	£0.20 per mile	Based on HMRC allowance
	Parking	Actual cost	Must be supported by ticket or receipt
	Public Transport	Actual cost (at standard fare rates)	Must be supported by ticket and/or receipt
	Taxi	Actual cost	Will only be reimbursed where public transport is not available or is unsuitable and only with prior agreement of Budget Holder. Receipt required.
Subsistence	Offsite commitment of over 5 hours	£5 maximum (lunch or breakfast)	Must be supported by receipt(s)
		£15 maximum (dinner)	
	Offsite commitment of over 10 hours and covering two or more meal times	£5 maximum (each for lunch or breakfast)	Must be supported by receipt(s)
		£15 maximum (dinner)	

Please note:

Alcohol

Expense claims in respect of alcohol purchases will not be paid.

Offsite subsistence

It is anticipated that the need for reimbursement of offsite subsistence will be extremely rare as most training courses provide refreshments are provided as part of the booking. Any anticipated subsistence costs should be discussed and approved in principle and within the above limits by the relevant budget holder in advance of course attendance.

It is also noted that the rates quoted above are maximums and that it is greatly appreciated that in general very few claims are submitted and colleagues are particularly good at identifying reasonably priced options on the rare occasions that expenditure is necessary.

Accommodation

Any accommodation necessary in the course of discharging Trust duties will be booked and paid for by Purchasing in advance of the stay.

Claiming mileage when traveling between Trust sites

For journeys necessary for work purposes during the course of a working day then actual mileage away from an employee's designated normal place of work will be paid at the rates above.

Where an employee travels directly to an alternate Trust site from home then claims will only be approved on an "excess costs" basis. This means that only mileage over and above that of an employee's normal commute will be claimable.