

Greenshaw Learning Trust

Finance Policy & Procedures

2018

Responsible Officer: GLT Head of Finance

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GLT FINANCE POLICY AND PROCEDURES

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1 INTRODUCTION

1.1 Legal Context

The Greenshaw Learning Trust is a charitable company, limited by guarantee, and constituted under a Memorandum of Association and Articles of Association. Its objects are

- establishing and developing academy schools to provide comprehensive and inclusive education for the public benefit
- providing facilities for the benefit of the local communities in which the Trust operates

As a charitable company, the Trust and all the schools within the Trust must comply with:

- Company law as set out in the Companies Act 2006
- Charity law and the requirements of the Charity Commission and its Statement of Recommended Practice (SORP 2015)

The Trust's schools are publicly funded by the Department for Education (DfE) through the Education and Skills Funding Agency (ESFA).

The terms of the grant received from the ESFA are set out in the Trust's Master Funding Agreement and the Supplemental Funding Agreements for each academy school. The Trust and its schools must comply with the conditions of the grants and adhere to the terms of the Academies Financial Handbook by maintaining sound systems of financial and management control.

The GLT Head of Finance is responsible for the consolidation and preparation of the annual financial statements in accordance with:

- United Kingdom Generally Accepted Accounting Practice (UKGAAP)
- Academies Account Direction issued annually by the ESFA

This Finance Policy has been drawn up in accordance with the requirements of our funding agreements to ensure we comply with the principles of financial control outlined in the Academies Financial Handbook.

Compliance with this Finance Policy is mandatory for all Trustees, governors and employees of Greenshaw Learning Trust, and individuals who fail to comply may be subject to disciplinary action under the Trusts disciplinary policy.

1.2 Terminology

- The Trust means the Greenshaw Learning Trust (GLT) and all schools and services in the Greenshaw Learning Trust
- School means a school or academy within the Greenshaw Learning Trust.
- Headteacher means the headteacher or principal of the school or academy.
- Executive Headteacher means the Chief Executive Officer of the Greenshaw Learning Trust.
- Local Governing Body (LGB) means the committee of the Board of Trustees to which Trustees have delegated appropriate powers and functions for the management of the school or academy.

1.3 Applicability

This GLT Finance Policy and Procedures applies to the Greenshaw Learning Trust as a whole and to all the schools and services in the Trust, and to all Trustees, governors, employees and volunteers of the Trust and its schools.

If there is any question about the interpretation or implementation of this policy or procedures, the GLT Head of Finance should be consulted and their advice should be followed.

Throughout this Policy and Procedures references to school can be read as including the Trust Central Service as if it were a school, and with regard to the Trust Central Service, Headteacher should be read as GLT Executive Headteacher and LGB should be read as Board of Trustees.

1.4 Financial Governance Roles and Responsibilities

1.4.1 The Board of Trustees

The Board of Trustees of the Trust has wide responsibilities under statute, regulations and the funding agreement. Principally, it is responsible for ensuring that the Trust's funds are used only in accordance with the law, its Articles of Association, its Funding Agreement and the Academies Financial Handbook.

Whilst the Board cannot delegate overall responsibility for the multi academy trust's funds, it must approve a written scheme of delegation of financial powers that maintains robust internal control arrangements.

The Board of Trustees must provide details of the academy trust's governance arrangements in the governance statement published within its annual accounts, and on its website. This includes its scheme of delegation for governance functions setting out what the Board has delegated to its committees and local governing bodies.

1.4.2 Audit Committee

The Audit Committee is a committee of the Board of Trustees. It is responsible for providing assurance to the Board on the adequacy of financial controls within the Trust. The Audit Committee will commission a programme of internal assurance testing to be carried out by the external auditors to support them in their role. They receive the reports of the external auditor in respect of both internal and external audits. The Audit Committee reviews the risks to financial control and agrees the processes and checks required to address these risks and ensure the implementation of the Trust's financial policies and procedures.

1.4.3 The Accounting Officer

The Board of Trustees has appointed the Chief Executive Officer (CEO) as the Accounting Officer (AO).

The AO operates under the guidance of the Board of Trustees, and must have appropriate oversight of financial transactions, by:

- ensuring that all the academy trust's property and assets are under the control of the trustees, and measures are in place to prevent losses or misuse, including maintenance of fixed asset registers
- ensuring that bank accounts, financial systems and financial records are operated by more than one person
- keeping full and accurate accounting records to support their annual accounts

The role of Accounting Officer includes specific responsibilities for financial matters. It includes a personal responsibility to Parliament, and to EFA's accounting officer, for the financial resources under the Trust's control.

The Accounting Officer must take personal responsibility (which must not be delegated) for assuring the board of Trustees that there is compliance with the Academies Financial Handbook, the Funding Agreement and all relevant aspects of Company and Charity law.

The Accounting Officer must complete and sign a statement on regularity, propriety and compliance each year and submit this to EFA with the audited accounts. The Accounting Officer must also demonstrate how the Trust has secured value for money via the governance statement in the audited accounts.

The Accounting Officer must advise the Board of Trustees in writing if, at any time, in his or her opinion, any action or policy under consideration by them is incompatible with the terms of the articles, funding agreement or the Academies Financial Handbook. Similarly,

the Accounting Officer must advise the board in writing if the board appears to be failing to act where required to do so by the terms and conditions of the handbook or funding agreement. Where the Board of Trustees is minded to proceed, despite the advice of the Accounting Officer, the Accounting Officer must consider the reasons the board gives for its decision. If, after considering those reasons the Accounting Officer still considers that the action proposed by the board is in breach of the articles, the funding agreement or the handbook, the Accounting Officer must notify the ESFA's accounting officer immediately, and in writing.

Whilst the Accounting Officer is accountable for the Trust's financial affairs, for keeping proper financial records, and for the management of opportunities and risks, the delivery of the Trust's detailed accounting processes will be delegated to the Chief Financial Officer.

1.4.4 The Chief Financial Officer

The Board of Trustees has appointed the GLT Director of Resources as the Chief Financial Officer (CFO). The CFO has both a technical and leadership role, including ensuring sound and appropriate financial governance and risk management arrangements are in place, preparing and monitoring of budgets, and ensuring the delivery of annual accounts.

The main responsibilities of the CFO are:

- the day to day management of financial issues including the establishment and operation of the Trust accounting system
- the management of the Trust financial position at a strategic and operational level within the framework for financial control determined by the Trustees
- the maintenance of effective systems of internal control
- ensuring compliance with the terms and conditions of all grants received
- ensuring that the annual accounts are properly presented and adequately supported by full and accurate accounting records
- the preparation of the consolidated annual budget
- ensuring statutory returns are sent to the DfE, ESFA, HMRC and Companies House within the reporting timetable

The CFO need not discharge all of their duties personally. They may delegate some of them to other employees within the Trust. The Trust may also employ external staff or contractors with the relevant skills and knowledge to carry out specific tasks at specific times.

1.4.5 Headteacher

Headteachers are responsible for the operational management of their school. The Board of Trustees delegates the overall authority and responsibility for the management of school's revenue budgets, and any other budget delegated by the Board of Trustees, to Headteachers.

They must:

- Ensure all Governors, staff and volunteers comply with the GLT Finance Policy and Procedures and their associated school Schedule of Financial Delegation.

- Ensure their schools are compliant with the Academies Financial Handbook, the Funding Agreement and all relevant aspects of Company and Charity law
- Complete and sign a declaration on regularity, propriety and compliance each year
- Demonstrate how the school has secured value for money
- Ensure appropriate risk management procedures are in place
- Ensure the maintenance of effective systems of internal control

The Board of Trustees reserves the right to restrict or remove the scheme of delegation from any schools who fail to address Trust concerns about their financial controls or budgetary responsibility.

1.4.6 Local Governing Body

Local Governing Bodies are responsible for ensuring sound and appropriate financial governance and risk management procedures are in place

They must:

- Ensure all Governors, staff and volunteers comply with the GLT Finance Policy and Procedures and their associated school Schedule of Financial Delegation.
- Ensure their schools are compliant with the Academies Financial Handbook, the Funding Agreement and all relevant aspects of Company and Charity law
- Ensure appropriate risk management procedures are in place
- Ensure the maintenance of effective systems of internal control

1.4.7 All Staff

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 compliance with the requirements of the GLT Finance Policy and Procedures.

1.5 Designated Roles and Responsibilities

The Board of Trustees of Greenshaw Learning Trust have approved the designation of the following approved persons / bodies / systems:

Accounting Officer	Chief Executive Officer	Will Smith
Chief Financial Officer	GLT Director of Resources	Steve Bradford
	GLT Head of Finance	Robert Smith
Company Secretary	GLT Head of Clerking	Susanne Wicks
GLT appointments	Trust Auditors	Buzzacott LLP
	Trust Bankers	Lloyds Bank Plc
	Trust Payroll Provider	Strictly Education Plc
GLT systems	Trust Accounting System	PS Financials
	Trust Budgeting Software	HCSS

1.6 Associated Policies and Procedures

Under Company Law, the Trust must prepare consolidated and consistent financial statements for each financial year. To ensure consistency, the Trustees have approved this GLT Finance Policy and Procedures which applies to all the schools and entities within the Trust.

The Schedule of Financial Delegation appended to this Policy and Procedures sets out the internal delegation within the school. Each school and the Trust Central Service will adopt and maintain their own Schedule of Financial Delegation that must be approved by the LGB, or for the Trust Central Services by the Board of Trustees annually.

The following Trust policies and procedures are an integral part of this GLT Finance Policy and Procedures:

- GLT policy on fraud and irregularity
- School Letting Policy

The following Trust policies are directly related to and complement the GLT Finance Policy and Procedures:

- GLT HR Policy
- GLT Staff Disciplinary Procedure
- GLT Whistleblowing Policy
- GLT Staff Expense Policy
- Trustees and Governors' Interests, code of conduct, and expenses policy
- GLT Data Protection Policy

2 FINANCE POLICIES AND PROCEDURES

2.1 Financial Control

2.1.1 Audit Requirements

The GLT Head of Finance will conduct an internal audit of the Trusts financial systems, controls, transactions and risks annually. The main purpose of this audit is to provide the Trustees with independent assurance that:

- the financial responsibilities of The Trust are being properly discharged
- resources are being managed in an efficient, economical and effective manner
- sound systems of internal financial control are being maintained and financial considerations are fully taken into account in reaching decisions

External auditors will also be appointed annually by the Board of Trustees to conduct an external audit of the Statutory Accounts. The appointment must be subject to competitive tender at least once in every five years.

The GLT Head of Finance is responsible for drawing up a timetable for final accounts purposes and will advise staff and the external auditors accordingly.

Headteachers of schools within the Trust shall ensure that the GLT Head of Finance and external auditors are able to:

- access school premises at reasonable times
- access all assets, records, documents and correspondence relating to any financial and other transactions
- receive such explanations as are necessary concerning any matter under examination
- require any employee of the Trust to account for cash, or any other school property under their control
- access records belonging to third parties, such as contractors, when required

Findings of the audits should be presented to the Audit Committee for consideration, and notified to the Accounting Officer.

2.1.2 Fraud, Theft and Irregularity and Whistleblowing

The Trust will not tolerate fraud. The GLT Head of Finance reserves the right to conduct or commission their own investigation into actual or potential fraud, theft or irregularity in any school within the trust, either as the result of a formal notification from the headteacher or as the result of other information received. The GLT Head of Finance may involve other authorities, including the police, as appropriate.

All Staff should be vigilant, and whenever any matter arises which involves, or is thought to involve, fraud, theft or any other irregularity in the exercise of the activities of the Trust, the individual concerned should notify their Headteacher, or where thought to involve the Headteacher, directly to the GLT Head of Finance, at the earliest opportunity. Any such reports will be treated in confidence under the GLT Whistleblowing Policy.

Headteachers must immediately notify the GLT Head of Finance of any suspected instances of fraud, theft or irregularity exceeding £200 cumulatively in any financial year. Any unusual or systematic fraud, regardless of value, must also be reported. Reports should include:

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

2.1.3 Register of Interests

It is important for anyone involved in spending public money to demonstrate that they do not benefit personally from the decisions they make. In the interests of transparency, the Clerk to the Board of Trustees will hold a Register of Interests which will be reviewed annually and published on the Trust website.

All Trust members, trustees, local governors, the accounting officer and staff with significant financial or spending powers are required to declare any relevant business and pecuniary interests in accordance with the GLT Declaration of interests Policy.

The existence of a register of interests does not detract from the duties of members, trustees, governors and staff to declare interests whenever they are relevant to matters being discussed by the Board of Trustees, a board or a committee. Where an interest has been declared, members, trustees, governors and staff should not attend that part of the Board and /or committee or other meeting or take part in or seek to influence the voting or decision making.

2.1.4 Trading with Connected Parties

The GLT Head of Finance should be notified of any trading with connected parties, as procurement of any goods and services through a connected party must be made 'at cost' in accordance with Section 3.2 of the Academies Financial Handbook 2017. A 'connected party' includes any member or trustee of the Trust, or any relative, individual, organisation or company connected to the member of trustee. 'At cost' includes all direct costs and a reasonable share of indirect costs of all resources used to supply the goods or service, but must not include any element of profit.

2.1.5 Gifts and Hospitality Register

All members, trustees, governors and employees of the Trust must not accept gifts, hospitality, awards, prizes or any other benefit which might be seen to compromise their personal judgment or integrity.

Headteachers must maintain a Gifts and Hospitality register in which they record all benefits received or paid by them or any of their employees in excess of £50. The register should be reported to the GLT Head of Finance at the end of the financial year.

When giving gifts, the Headteacher must ensure that the value of the gift is reasonable, is within the school's scheme of delegation of financial powers, the decision is fully documented, and has due regard to propriety and regularity in the use of public funds.

2.2 Budgeting, Monitoring and Financial Reporting

The regular monitoring of income and expenditure against the approved budget is central to effective financial management.

2.2.1 Annual Budgeting

Headteachers are responsible for setting a three year budget, which must be approved by their Local Governing Body. The locally approved draft budget must then be submitted to the GLT Head of Finance by 30th June. The GLT Head of Finance will confirm the individual school budgets, following Trustee approval of the consolidated Trust budget at the beginning of July.

Budget scenarios should be modelled on the Trust budgeting software. This has direct links with the Trust accounting system to enable effective importing and exporting of finance data and minimise the risks of data corruption during transposition.

Headteachers are responsible for ensuring that the staff contract data incorporated into their budgets is up to date, and that they have followed the Trust Central Service team guidance on calculating the cost of living rises and cost of increments where applicable.

The budget must reflect the school's prioritised educational objectives through clear links to the School Development Plan, which indicates the resource implications of each priority.

The budgetary planning process will incorporate the following elements:

- forecasts of the likely number of students used to estimate the income
- review of other income sources available to the school
- review of past performance against budgets to promote an understanding of the cost base
- benchmarking to identify potential efficiency savings
- review of the main expenditure headings in light of the school development plan objectives

The budget must be set to ensure the school holds the target level of Reserves set by the Board of Trustees. Should the level of Reserves held by a school be less than the threshold set by the Trust, then the Headteacher must produce a budget which restores the level of Reserves according to a timeframe agreed by the Board of Trustees.

2.2.2 Monitoring and Reporting

Each Headteacher is responsible for the control of income and expenditure within the agreed budget. Within the overall budget, they are able to delegate authority for income and expenditure to individual budget holders. They must ensure that monitoring of any delegated budgets is undertaken effectively.

Each Local Governing Body should ensure that there is sufficient rigour and scrutiny in the regular (at least three times a year) monitoring of the financial performance of the school to understand variances between the approved budget and actual income and expenditure, and then to hold the Headteacher to account for those variances.

Headteachers must send regular monthly monitoring reports (within 15 days of month end) to the GLT Head of Finance to include:

- Report of actual monthly and YTD income and expenditure against approved budget with an accompanying explanation of significant variances
- Forecast of year end reserve position against budget with an accompanying explanation of significant variances
- Balance sheet
- Bank Reconciliation of all bank accounts including reporting on unreconciled balances

Headteachers are not permitted to overspend their approved budget and reduce their reserves without prior approval from the Board of Trustees. This approval must be minuted in Board of Trustees meetings as stated in the Academies Financial Handbook (2.2.2)

Monthly variances in excess of £10,000 from approved budgets must be reported to the GLT Head of Finance, explaining the reason for the variance, and providing a plan of corrective actions to restore the school finances to the approved budget.

2.3 Accounting Policies

2.3.1 Trust Accounting System

All the financial transactions of the Trust must be recorded on the Trust's main accounting system.

Access to the Trust's main accounting system is password restricted. Users access levels within the system are restricted by the GLT Head of Finance according to the school Schedule of Financial Delegation. Headteachers are responsible for ensuring the Trust is kept informed of any changes to users or their access requirements.

All transactions input to the accounting systems must be authorised in accordance with the procedures specified in this manual and in the school Schedule of Financial Delegation.

The GLT Head of Finance is responsible for ensuring that there are effective back up procedures for the Trust's main accounting system, and that a Business Continuity Plan is in place in the event of loss of accounting facilities or financial data.

2.3.2 Local Accounting System

Schools may also have a local cash accounting system to record all payments received from pupils. Accounting transactions on this local system must be recorded and reconciled with the Trust's main accounting system on a monthly basis.

Headteachers must ensure that their local accounting systems are backed up regularly and the backups held securely, and that the school has a Business Continuity Plan for the administration network.

2.3.3 Data Protection

Under the terms of the current data protection legislation, the GLT Director of Resources is required to notify the Information Commissioner of our processing, storage and disclosure of data procedures, which are covered by this legislation.

During the course of carrying out their roles, Finance staff will have access to personal banking information. This could be stored on either the Trust finance system or the local school network. Headteachers must ensure that all employees adhere to the current Data Protection legislation.

2.3.4 Basis of accounting

The financial year for the Trust ends on 31st August. The Trust accounts are prepared under the historical cost convention.

Income is recognised when the Trust has legal entitlement to the funds, and is recorded in the period in which it is receivable.

Expenditure is recognised once there is a legal obligation to transfer economic benefit to a third party, and is recorded in the period in which it is payable.

All year-end adjustments used by schools must be approved by the GLT Head of Finance, including

- Prepayments
- Accrued Income
- Accrued Expenditure
- Deferred Income

2.3.5 Accounting Records

The GLT Head of Finance is responsible for keeping proper accounting records that are sufficient to show and explain the Trust's transactions and disclose the financial position of the Trust, in compliance with the relevant legislation.

Headteachers must ensure that they retain full and accurate financial records including prime documents concerning their transactions for six years.

2.3.6 Accounting Returns

The GLT Head of Finance is responsible for the consolidation and preparation of the annual financial statements in accordance with the relevant legislation.

After external audit, they will be presented to the Board of Trustees for approval.

2.4 Fixed Assets

2.4.1 Inventory

Headteachers must ensure that all the Trust's property and assets are adequately safeguarded against misuse, loss or theft. They must maintain an inventory of all Trust assets with a value in excess of £200.

The purpose of the inventory is to:

- Ensure all staff take responsibility for the safe custody of assets
- Enable independent checks on the safe custody of assets, as a deterrent against theft or misuse
- Support insurance claims in the event of damage or loss
- Enable assets to be used effectively
- Support budgeting and planning for asset replacement

All the items in the inventory should be permanently and visibly marked as the Trust's property. The inventory should be kept up to date and reviewed regularly.

Physical counts of the assets against this inventory must be undertaken at least annually at the end of the financial year. This count must be taken by someone other than the person who is responsible for the maintenance of the inventory. Differences between the counts and the inventory must be investigated promptly and reported to the Local Governing Body. All differences in excess of £1,000 must be reported to the GLT Head of Finance.

2.4.2 Loan Register

Assets must not be removed from Trust premises without the approval of the Headteacher. A record of the loan and return of the asset must be recorded in a loan register.

If assets are on loan for extended periods or to a single member of staff on a regular basis the situation may give rise to a 'benefit-in-kind' for taxation purposes. Loans should therefore be kept under review.

2.4.3 Fixed Assets Register

The GLT Head of Finance will maintain a central Fixed Asset Register for all fixed assets with a value in excess of £2,000. By definition all items held on the Trust Fixed Asset Register must also be included on the school inventory.

Headteachers must notify the GLT Head of Finance of any items purchased with a value over £2,000. The GLT Head of Finance will decide whether items are appropriate to be included in the Fixed Asset Register.

Fixed Assets will be held on the Balance Sheet of the Trust at cost and depreciated over their expected useful economic life. At year end, the GLT Head of Finance will calculate and apply Depreciation to the Fixed Assets according to the following schedule:

Asset	Depreciated over
Land & Buildings	35 years
IT Equipment	3 years
Furniture and Fittings	4 years
Motor Vehicles	5 years

2.4.4 Asset disposal

The disposal of items on the inventory should be authorised by the Headteacher and approved by the Local Governing Body. Where appropriate, efforts should be made to sell any assets which are no longer required. Where IT equipment is concerned, ownership of any software licenses must be resolved and all data must be removed before disposal.

Approval from the GLT Head of Finance must be granted before the disposal of any asset which is also on the Fixed Asset Register.

2.4.5 Stocks

Stores of any consumable materials, such as catering or stationery supplies must be kept physically secure within the Trust premises with access limited to authorised staff. Where

the total value of stocks exceed £2,000 a stock take must be made on a monthly basis. The year end stock take at the end of August must be sent to the GLT Head of Finance by the 15th September for inclusion in the Trust accounts.

As with the inventory, this count must be taken by someone other than the person who is responsible for the maintenance of the stock sheets. Differences between the counts and the stock sheets must be investigated promptly and reported to the Local Governing Body. Differences in excess of £200 must be investigated for potential fraud, theft or irregularity and any findings reported to the GLT Head of Finance.

2.4.6 Land and Buildings

All freehold land and buildings are the property of the Trust. Freeholds on land and buildings must not be acquired or disposed of without approval from the Board of Trustees, who must, in turn, have prior written approval from the ESFA.

2.5 Financial Assets

2.5.1 Banking Arrangements

The Board of Trustees is responsible for the appointment of Bankers. Schools must not open or hold bank accounts with any other banking service provider other than the Trust Banker. The opening of all bank accounts must be approved by the GLT Head of Finance.

All bank accounts must be recorded on the Trust's accounting system, and all transactions through the accounts must be reconciled monthly with the bank statements, and reviewed by the Headteacher. Bank Reconciliations are an important part of the Trust's financial controls as they mitigate the risk of financial transactions not being entered onto the Trust accounting system. All unreconciled differences must be investigated promptly and reported to the GLT Head of Finance through the regular monthly monitoring.

All banking mandates will be on an 'any two to sign for all amounts' basis, selected from a panel of signatories authorised by the Headteacher and approved by the Local Governing Body. The GLT Director of Resources and GLT Head of Finance must be included on the panel of signatories on all Trust bank accounts. The panel of signatories must be constantly reviewed by the Headteacher to ensure it is appropriate. Should any individual need to be removed from the panel then GLT Head of Finance must be notified immediately through an amended Schedule of Financial Delegation with a Chairs resolution.

Schools will have access to online banking facilities in order to view statements, and generate and authorise online payments. Online payments and BACS transfers must be subject to the same level of control as cheques, with a minimum of two approvers from the same panel of signatories. Access to the online banking facilities is controlled via user accounts, passwords and smartcards. It is the responsibility of each individual to maintain security of their passwords and cards.

2.5.2 Cash Management

All Headteachers must establish procedures for cash handling within their schools. They must at a minimum ensure that

- The total amount of cash on the school premises at any one time (including the Petty Cash balance) is fully insured and held according to the requirements of the school insurers
- All cash and cheques are kept in a safe prior to banking.
- The safe keyholders must be identified in the school schedule of financial delegations.
- Two members of staff verify each cash banking and reconcile it to the paying in slip.
- Reconciliations are conducted between the sums collected, the sums deposited at the bank, and the sums posted to the Trust accounting system.
- No deductions may be made from any cash collected on behalf of the Trust prior to banking.

2.5.3 Petty Cash

It is Trust policy to keep Petty Cash transactions to a minimum. However there are circumstances which are facilitated by the holding of a petty cash balance. Therefore schools are able to hold Petty Cash up to a limit approved by their Local Governing Body but not to exceed £500. This cash must be held securely at all times, in compliance with the school insurance policy. All claims for reimbursement from Petty Cash must be accompanied with the appropriate receipt and staff must obtain proper VAT receipts for petty cash purchases whenever possible. The petty cash account should be reconciled monthly and irregularities reported to the GLT Head of Finance.

2.5.4 Purchase/Credit Cards

Schools must not open or hold purchase/credit cards with any other banking service provider other than the Trust Banker. The holding of purchase/credit cards and requests for new cards must be approved by the GLT Head of Finance.

Requests for named individuals to be issued with a purchase/credit card, and the required purchase limit must be authorised by the Headteacher and approved by the Local Governing Body but should not exceed £5,000 in total. The cards must be stored securely and only used for school business.

Purchase/Credit Cards carry an increased risk for the Trust as they enable an individual to avoid the normal procurement policy incorporating a segregation of duties. To ensure the Trust procurement policy is being followed, each monthly statement for the purchase/credit card must be checked for accuracy by the cardholder, and then reviewed and authorised by their line-manager.

As with all school expenditure, the supporting documentation must be kept and all purchase/credit card transactions must be entered on the Trust accounting system.

The purchase/credit card account MUST be settled in full, before any interest accrues.

2.5.5 Borrowings

In line with the Trust's funding agreements with the Department of Education, schools MUST NOT borrow from any source (including finance leases and overdraft facilities), regardless of the chargeable interest rate, without the approval of the Board of Trustees.

Only in exceptional circumstances will permission be granted by the Board of Trustees, and only once it has in turn received prior approval from the ESFA.

2.5.6 Investment Policy

Greenshaw Learning Trust aims to use its funds for the full benefit for its current pupils. Consequently, it does not hold large reserves. The Trust holds its liquid assets in the form of cash balances in no notice accounts. As part of its liquidity management, the GLT Head of Finance is able to invest in term deposits up to a maximum term of six months. The Trust does not hold other investments. Should it wish to do so in the future, the Board of Trustees will consider a recommendation from the GLT Head of Finance.

2.5.7 Reserves Policy

The Trust has a duty to ensure long-term financial sustainability. Holding a level of reserves is essential to ensure the Trust retains its capacity to:

- overcome short-term cash flow challenges,
- manage unexpected changes in funding levels without being forced into short term expenditure cuts which are detrimental to our medium term objectives
- build reserves to support long-term capital investment
- act as a buffer against unforeseen events

The Board of Trustees review the reserves levels annually in the context of the key risks identified in the Risk Register and with consideration to the Trust's Strategic objectives. The Board of Trustees have currently set the level of reserves it expects schools to maintain at 3% of their total income in the approved annual budget. Headteachers of schools with reserves below the level set by the Board of Trustees, must provide the Board of Trustees with a plan on how they are going to restore their level of Reserves. Headteachers are not authorised to spend their reserves without prior approval from the Board of Trustees.

2.5.8 Restricted Funds

Headteachers are responsible for ensuring compliance with the terms and conditions of any grants received. Transactions involving Restricted funds should be clearly identifiable on the Trust accounting system.

2.6 Income

Headteachers are responsible for

- the prompt collection, security and banking of all income received.
- ensuring that all income is recorded accurately in the Trust accounting system

- ensuring that all grants due to the Trust are received and the terms of the grant are appropriately recorded in the Trust accounting system.

2.6.1 Income from students

Schools may receive income from students for a variety of reasons including:

- Trips
- School Meals
- Sale of school uniform
- Sale of books, materials and photocopying
- Deposits for locker keys
- Extra curricula tuition fees

Headteachers must ensure that all income from students is recorded in the schools local cash accounting system, which should be reconciled monthly with the Trust accounting system.

Headteachers must ensure that:

- All income and expenditure should be recorded against the student name
- Payments are adequately monitored and debts chased up
- Teachers do not collect cash on behalf of the school
- Any online payment service transactions are recorded promptly in the Trust accounting system and reconciled with the Bank Statements

2.6.2 Donations

The Trust may be able to claim Gift Aid on donations to the school. To assist the Trust Central Services team in this claim, schools should enquire as to whether the donor is willing to complete a Gift Aid Declaration form. In the event that donors are unwilling, or it is not possible to identify who the donor is (such as bucket collections) the Trust may still be able to claim an amount of Gift Aid under the Gift Aid Small Donations Scheme (GASDS).

To facilitate this Headteachers must keep records of the donations including:

- total cash donations collected
- date of the collection
- date it was paid into a bank account

For collections in community buildings, outside of Trust premises, Headteachers should also record:

- the address of the community building (including postcode)
- the type of event
- an estimate of how many people were at the event

Headteachers should also ensure all donations are recorded on the Trust accounting system. A receipt should be issued along with a letter of thanks for each donation.

2.6.3 Lettings and Hire of Facilities

There are strict rules concerning the letting of Trust premises with regard to the tax treatment of the income received. For this reason lettings of the Trusts premises should be conducted through Greenshaw Learning Services Limited on a commercial basis.

The invoice to the hirer should be raised directly through Greenshaw Learning Services Limited. Headteachers should invoice Greenshaw Learning Services Limited for the use of their school premises at a rate of 97% of the invoice to the hirer.

All invoices should be issued directly from the Trust accounting system, and dated the date of the letting.

Headteachers must establish a school Lettings Policy and Procedures which must be approved by the Local Governing Body. These procedures must ensure that:

- School activities take precedence over external lettings
- All lettings are conducted under the school Letting Policy which is reviewed and approved by the LGB
- All charges for rents and lettings are clearly stated
- Adequate records are maintained of all bookings made
- Payment should be made in advance wherever possible
- All invoices are raised through the Trust accounting system
- Debts are monitored and promptly chased up

2.6.4 Leaseholds on Land and Buildings

Under the terms set out in the Academies Financial Handbook, the Board of Trustees must obtain ESFA approval prior to granting a leasehold interest, including a tenancy agreement, of any duration, on land and buildings to another party.

Headteachers must not grant leases on land and buildings under any circumstances without prior approval from the Board of Trustees.

2.6.5 Debt Recovery Policy

Headteachers should ensure that:

- debtors' invoices are raised promptly in respect of income due to the Trust
- invoices are raised directly from the Trust accounting system
- swift and effective action is taken to collect overdue debts
- outstanding debts are monitored through aged debtors reports and debts outstanding for more than three months are reported to the GLT Head of Finance

Headteachers should always pursue recovery of amounts owed, overpayments, or payments made in error, irrespective of how they came to be made.

2.6.6 Debt Write-Offs

Headteachers should only consider writing-off losses after careful appraisal of the facts, including whether all reasonable action has been taken to effect recovery from the debtor or the school's insurers, and should be satisfied that there is no feasible alternative.

Debts below £1,000 may be written off by Headteachers after receiving approval from their LGB. The GLT Head of Finance should be notified of any write-offs. Requests to write-off debts over £1,000 must be referred in writing to the GLT Head of Finance for submission to the Board of Trustees for approval.

2.6.7 Guarantees, Indemnities and Letters of Comfort

Headteachers must not enter into guarantees, indemnities or letters of comfort under any circumstances.

2.7 Expenditure

2.7.1 Value for Money

The Board of Trustees expects the Trust to achieve the best possible educational outcomes through the economic, efficient and effective use of all resources.

It expects these three elements of Value for Money to be considered in all expenditure decisions and defines them as:

Economy – spending less - schools should minimise the cost of goods, services and staff used or required for a given level of quality.

Efficiency – spending well - schools should use those goods, services and staff in the most efficient way to possible to produce the required outcomes

Effectiveness – spending wisely - schools should monitor the intended and actual results of spending on outcomes

Headteachers must ensure that:

- spending has been for the purpose intended and there is probity in the use of public funds
- spending decisions represent value for money, and are justified as such

2.7.2 Delegated Authority

The budget and responsibility for Trust expenditure is delegated by the Board of Trustees to school Headteachers.

Headteachers are authorised to approve individual purchase orders up to a limit of £75,000. Purchase orders in excess of this limit will require approval of the GLT Head of Finance.

In turn, Headteachers are able to delegate authority for committing the Trust to expenditure to named individuals. The GLT Head of Finance should be notified of this internal delegation through the school schedule of financial delegation. The GLT Head of Finance is responsible for ensuring that the school schedule of financial delegation is updated in the Trust accounting system.

No member of staff is authorised to commit the Trust to expenditure without first reserving sufficient funds to meet the cost.

2.7.3 Procurement Policy

The Procurement Policy is based on the value of the order to be placed

Orders up to £2,000

Budget holders should ensure that they review the use of existing resources and consider the cost, quality, reliability and availability according to best value principles, before ordering goods and services.

Orders from £2,000 up to £5,000

Two quotations should be obtained for all orders from £2,000 up to £5,000 to ensure that best value is achieved. All quotations should be compared on a like-for-like basis.

Orders from £5,000 up to £75,000

At least three written quotations should be obtained for all orders from £5,000 up to £75,000 to ensure that best value is achieved. All quotations should be compared on a like-for-like basis.

Quotations obtained should be retained by budget holders for audit purposes. If competitive quotes are not able to be obtained, a note must be attached documenting the reasons why and how value for money has been otherwise assured. A termly report of invoices approved without the requisite number of quotes should be produced for approval of the Local Governing Body.

Orders over £75,000

All goods and services ordered with a value over £75,000 or for a series of contracts which in total exceed £75,000 must be subject to formal tendering procedures. All tenders must be conducted with full consultation and approval of the GLT Head of Finance.

2.7.4 Tendering Procedure

There are three forms of tender procedure: open, restricted and negotiated and the circumstances in which each procedure should be used are described below. The Tenders must be sought on the most appropriate basis.

- **Open Tender:** This is where all potential suppliers are invited to tender. The budget holder must discuss and agree with the GLT Head of Finance how best to advertise for suppliers e.g. general press, trade journals or to identify all potential suppliers and contact directly if practical. All suppliers who express an interest are sent a tender. This is the preferred method of tendering, as it is most conducive to competition and the propriety of public funds. This method is most appropriate to use when there are a limited number of suppliers in the market.
- **Restricted Tender:** This is where suppliers are specifically invited to tender. Potential suppliers are evaluated against predetermined economic, financial and technical criteria. Invitations to tender are then sent to the selected suppliers. The Trust will normally invite at least four bidders. This method is most commonly used when

there are a large number of potential suppliers in the market, or because the nature of the goods or services are such that only specific suppliers can be expected to supply the Trust's requirements.

- Negotiated Tender: This is where the terms of the contract are negotiated with one or more chosen suppliers. This is only appropriate in specific circumstances such as:
 - the open or restricted tenders have resulted in either no or unacceptable tenders,
 - where extremely specialised requirements mean that only one or very few suppliers are available,
 - extreme urgency exists

Preparation for Tender

The requirements of the tender must be established in advance and form the basis of the invitation to tender.

The award criteria which are to be applied in evaluating tenders must be recorded before the tenders are invited and must be stated in the documents sent to suppliers. The criteria should be ranked (e.g. mandatory, desirable and additional) according to requirement.

Invitation to Tender

If a restricted tender is to be used then an invitation to tender must be issued. If an open tender is used, an invitation to tender may be issued in response to an initial enquiry. An invitation to tender should include the following:

- introduction/background to the project
- scope and objectives of the project
- technical requirements
- selection criteria
- implementation of the project
- after sales service requirements
- form of contract
- terms and conditions of tender
- form of response

Aspects to Consider

Financial

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

Technical/Suitability

- Qualifications of the contractor
- Relevant experience of the contractor
- Descriptions of technical and service facilities
- Certificates of quality/conformity with standards

- Quality control procedures
- Details of previous sales and references from past customers.

Other Considerations

- Pre sales demonstrations
- After sales service
- Financial status of supplier. Suppliers in financial difficulty may have problems completing contracts and in the provision of after sales service.

Tender Acceptance Procedures

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

Tender Opening Procedures

All tenders submitted should be opened at the same time and the tender details should be recorded.

This record must be signed by those people present at the tender opening. At least two people should be present for the opening of tenders including the GLT Head of Finance.

Tendering Evaluation Procedures

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

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

Full records should be kept of all criteria used for the evaluation of contracts and a report should be prepared for the Trustees highlighting the relevant issues and recommending a decision.

Where required by the conditions attached to a specific grant from the DfE, the department's approval must be obtained before the acceptance of a tender.

The accepted tender should be the one that is economically most advantageous to the Trust. All parties should then be informed of the decision.

2.7.5 EU Procurement Rules

High value Tenders may fall under EU procurement rules, which require advertising in the Official Journal of the European Union (OJEU).

The Trust must comply with the latest contract thresholds published by the government showing the sterling equivalent of limits published by the European Commission. These are subject to change and should be checked before preparing any tender.

The 'Supplies and Services' threshold applying from 1st January 2018 is £181,302. This relates to the total contract value excluding VAT.

Contracts cannot be sub-divided simply to reduce their threshold to avoid EC procedures. Contracts of the threshold value, and above, must be advertised in the Official Journal of the European Union (OJEU).

These contracts have specific requirements regarding

- The timescales between notification to the OJEU, publication of the advertisement, and closing of the tender
- The type of tender process to be followed which must be clearly stated in the advertisement

Where contracts are over the EU tender limit it is recommended to use a procurement framework agreement, whereby a formal EU tender has already been conducted and all approved suppliers have been vetted.

The Board of Trustees must approve all tenders which fall under EU Procurement rules.

2.7.6 Requisitions and Purchase Orders

Requisitions should be raised by staff for all purchases. This can be done either electronically through the Trust accounting system or from a paper based requisition form. The budget holder must review and authorise the requisition after consideration of their delegated budget.

Budget holders should not approve orders if the department account does not have enough funds to cover the cost of the order. Headteachers will inform budget holders of the budget available to them at the beginning of the academic year. It is the responsibility of the budget holder to manage their budget and to ensure that the funds available are not overspent. Budget holders are required to check their budgets on a regular basis to ensure that spending is kept within the budget limits. The school's finance team will monitor the actual and committed expenditure against budget.

If the requisition has been raised and electronically authorised by the budget holder on the Trust accounting system, then the school finance team can pull this through into a Purchase Order. If the budget holder has approved a paper based requisition form then this must be given to the school finance team as soon as possible, to enter onto the Trust accounting system and create the Purchase Order.

In either case, once the Purchase Order has been posted on the system by the school finance team, an email will be sent to the approver as set out in the workflow in the school schedule of financial delegation.

Purchase Orders must be authorised for all expenditure items before the items are ordered. Purchase Orders are a very important part of the Trusts procurement process. They ensure that expenditure is controlled within budgets and correctly authorised by budget holders, and form a legal commitment to buy goods or services. They must be recorded on the Trusts accounting system to ensure that all liabilities and commitments of the Trust are reported correctly.

The school finance team should email the authorised Purchase Order directly to the supplier. It should include a description of the goods/services sufficient to identify all goods on delivery. Goods must be delivered to a Trust or school address.

2.7.7 Receipt of Goods

When the goods are delivered to the school, the receiving member of staff is often not the budget holder. In this case all delivery notes should be signed to acknowledge delivery but a note should be added to clarify that goods are received unchecked.

It is the responsibility of the budget holder to check the delivery against the Purchase Order. Any discrepancies should be notified to the finance team immediately, so that the supplier can be made aware of the issue without delay. Any delivery notes should be signed by the budget holder and passed to the finance team.

Upon receipt of the delivery note or signed acknowledgment of receipt of goods from the budget holder, the finance team will match it with the Purchase Order, and enter a Goods Received Note on the Trust accounting system.

2.7.8 Receipt of Services

When services have been provided to the school, it is the responsibility of the budget holder to ensure that the service has been provided to an acceptable standard, and to notify the finance team that the work or service has been completed and to expect an invoice.

Upon signed acknowledgment of completed work or service from the budget holder, the finance team will enter a Goods Received Note against the Purchase Order on the Trust accounting system.

2.7.9 Invoices

All invoices should be passed immediately upon receipt to the finance office. The invoice should be checked by the finance team against the Purchase Order and the Goods Received Note. All original invoices must be kept by the finance team. In the event of any discrepancies all correspondence must involve scanned copies of the original invoice.

If invoices match the signed Purchase Order and Goods Received Notes exactly, then the finance team can accept these signed documents as authorisation for payment. The invoice should be attached to the PO and GRN and entered onto the Trust accounting system.

If the invoice does not match the Purchase Order or Goods Received Note (or the Goods Received Note has not been received) then the finance team must send a scanned copy of the invoice to the budget holder, highlighting the discrepancy. The invoice should be put

onto the Trust accounting system but immediately marked as 'in dispute' so that the payment is put on hold until the matter has been resolved. The budget holder should check the details of the invoice and ensure it is accurate. If it is incorrect then the budget holder should provide the finance team with adequate information for them to be able to investigate the query. All communications with the supplier should be noted and electronic notes attached to the invoice in the Trust accounting system. Once the budget holder is satisfied the invoice is accurate, they should sign the invoice to authorise payment.

Authorisation of an invoice for payment will be confirmation that:

- the goods have been received, examined and given initial approval with regard to quality and quantity, or that services rendered or work done is satisfactory
- invoice details (quantity, price, discount) are correct
- the invoice is arithmetically correct
- an invoice for the goods or services has not previously been passed for payment

Once authorised, the invoice can be released for payment in the Trust accounting system.

The Trust recognises that occasionally an invoice is received, without a Purchase Order being entered onto the system, such as in the case of some direct debits, emergency repairs or utility invoices when the final invoice amount is not known in advance. In these exceptional circumstances, the invoices should be authorised by the budget holder with an added explanation as to why it was not possible to raise a Purchase Order. These transactions should then be entered onto the accounting system as a Non-Order Purchase Invoice.

The finance team should then record any appropriate purchases on the school inventory.

2.7.10 Payment

The Trust expects that most payments will be made by BACS transfer. In exceptional circumstances cheques can be prepared manually for urgent payments.

All payments should be checked against the invoices by the Headteacher. All BACS payments or cheques must be authorised by two signatories from the panel of authorised signatories.

Payments should not be made in advance of receipt of goods. In some cases advance payment is required to secure services, such as training or travel arrangements. In these exceptional circumstances an explanatory note must be added to the Purchase Order along with the booking form, and authorised by the Headteacher. Consideration must be given to the ability and cost of having to cancel these arrangements should it become necessary.

2.7.11 Contracts and Service Level Agreements

Headteachers are responsible for ensuring the GLT Head of Finance is informed of all contracts or SLAs held by the school, including:

- value of contract

- expiry date of contract
- notice period
- counterparty to contract
- type of expenditure

The GLT Head of Finance is responsible for maintaining a central Contracts Register identifying all Contracts and Service Level Agreements (SLAs) held by the Trust, and will:

- conduct termly analysis of trust-wide expenditure by supplier, to ensure the Trust stays within its own tendering limits and EU procurement regulations
- conduct termly analysis of trust-wide expenditure by type to ensure a focused approach to pursuing value for money through leveraging purchasing power

Headteachers are able to enter into Contracts and Service Level Agreements (SLAs) with a maturity of one year or less, under their normal delegated authority with the approval of their LGB. The full liability of the contract or SLA should be considered during both the Procurement Process and the assessment of the limits of delegated authority. Contracts and SLAs cannot be sub-divided to reduce their threshold.

Contracts and SLAs with a maturity greater than one year or a value in excess of the Headteachers delegated authority must be authorised by the GLT Head of Finance prior to commitment.

2.7.12 Leases

There are two types of lease:

- Finance leases on any class of asset including leaseholds on land and buildings : these are a form of borrowing and must not be entered into under any circumstances
- Operating leases : these do not represent borrowing and so can be considered by Headteachers, but must be approved by the GLT Head of Finance prior to signing. Headteachers must ensure that any lease arrangement maintains the principles of value for money, regularity and propriety.

2.7.13 Insurance

The GLT Head of Finance is responsible for ensuring the main insurable risks to the Trust are covered including:

- buildings and contents
- employers and public liability insurance
- school trips

Headteachers are responsible for ensuring that they have additional cover in place against any insurable risks not covered by the Trust policy, including but not limited to:

- motor vehicles

2.7.14 Capital Expenditure

Only items which are approved by the GLT Head of Finance can be classed as capital expenditure. Any item of expenditure not approved must be treated as a purchase from Revenue expenditure.

2.8 Expenditure on Staff

Headteachers are responsible for all payments to staff. All Trust staff including part-time and casual employees must have a contract of employment with the Trust in accordance with appropriate conditions of service.

All staff payments in regard of salaries, wages and overtime must be made through the Trust's external payroll provider.

2.8.1 Staff Appointments

All staff must be appointed in line with GLT HR and Recruitment Policies and Procedures.

Each Headteacher is responsible for maintaining personnel files for all members of staff, which include contracts of employment. Headteachers must ensure the schools HR data base is kept up to date with all personnel and pay related data.

2.8.2 Payroll Administration

Payroll processing is administered through a contractual arrangement with the Trust payroll provider.

The payroll provider will determine monthly payroll timetables for key processing dates.

The Headteacher is responsible for authorising all changes to the payroll, and ensuring that the payroll provider is notified according to the payroll timetable, including:

- appointments, resignations, dismissals, suspensions, secondments and transfers
- changes in remuneration relating to regradings
- changes in remuneration (including normal increments) and pay awards
- absences from duty for sickness or other reason, including leave other than routine annual leave

2.8.3 Payment of salaries

The payroll provider will provide a detailed monthly report of salary payments to each school. This must be checked for accuracy and authorised by the Headteacher prior to the payments being made to staff.

All net salary payments are made by BACS and are the responsibility of the payroll provider as per the contract arrangements. Salary payments will be made on the last working day of

each month. It is the Headteachers responsibility to ensure that sufficient funds are in the account to meet the direct debit payment.

2.8.4 Payment of Statutory and Voluntary deductions

The payroll provider will calculate the schedule of statutory and voluntary deductions due from payroll each month, e.g Income Tax, National Insurance Contributions and Pensions. This schedule must be checked for accuracy and authorised by the Headteacher.

Payments are prepared by the payroll provider and paid in accordance with the details of the contract. It is the Headteachers responsibility to ensure that sufficient funds are in the account to meet the direct debit payment.

2.8.5 Payroll Reconciliation

After the payroll has been processed, the Headteacher must ensure the Trust accounting system is updated to reflect the expenditure.

Postings should be made to the relevant expenditure nominals along with the Balance Sheet Control accounts for net wages, pensions and HMRC. The accounting system Control accounts must be reconciled monthly with the payroll report from the external payroll provider.

The Headteacher is responsible for ensuring that all records relating to payroll including statutory returns, time sheets, and absence records are verified and authorised. Records should be kept for a minimum of seven years.

2.8.6 Pensions

Headteachers are responsible for overseeing day to day pension's matters including;

- administering staff eligibility to pension arrangements
- informing the payroll provider when deductions should be made or ceased for employees
- resolution of queries in relation to individual's contributions

The Trust is responsible for undertaking the role of employer in relation to appropriate pension arrangements for employees, and the GLT Head of HR will prepare the annual returns of the pension schemes.

2.8.7 Special Payments

Special payments are non-statutory or non-contractual payments made to staff and include

- Severance payments (including Settlement Agreements)
- Compensation payments
- Ex gratia payments

Special payments must be approved by the Board of Trustees on the recommendation of the GLT Director of Resources and GLT Head of HR.

2.8.8 Engagement of Temporary Staff

The Headteacher is responsible for all arrangements for the engagement of agency or other temporary staff

No agency or temporary staff shall be engaged unless the Headteacher has authorised the expenditure after consideration of the budget.

The engagement of external consultants on a recurrent basis must be agreed in advance with the GLT Head of HR to ensure compliance with current tax legislation.

2.8.9 Advances to Staff

It is Trust policy not to make advances of salary to staff.

2.8.10 Staff Expenses

All claims for payment of staff expenses including subsistence allowances, travelling and incidental expenses shall be completed in a form approved by the GLT Head of Finance and consistent with the approved GLT Staff Expense Policy.

Claims by members of staff must be authorised by the appropriate budget holder. The authorisation shall be taken to mean that:

- the expense was incurred in the course of carrying out Trust business
- the expenditure was authorised in advance
- the expense was properly and necessarily incurred
- that consideration has been given to value for money
- that the allowances are properly payable by the Trust

Claims for mileage must be authorised by the appropriate line manager, who is responsible for ensuring that claimants have appropriate business insurance arrangements in place.

All staff expenses will be reimbursed by BACS transfer.

3 SCHEDULE OF DELEGATIONS

These tables summarise the Schedule of Delegations from the Board of Trustees to the Headteacher of each school in the Trust.

Financial Control Thresholds

Suspected fraud, theft or irregularity	Above cumulative £200 in any financial year	Notify GLT Head of Finance
Gifts and Hospitality	All benefits received or paid in excess of £50	Record in Gifts and Hospitality Register
Monitoring	Monthly variances in excess of £10,000 from approved budgets	Report to GLT Head of Finance with plan of corrective actions

Fixed Assets

Inventory of School Assets	Assets above £200	Include in school inventory
	Assets above £2,000	Notify GLT Head of Finance for inclusion into Fixed Asset Register
	Differences in physical count in excess of £1,000	Notify GLT Head of Finance
Asset disposal	Assets recorded on school Inventory	Authorised by Head Approved by LGB
	Assets recorded on Trust Fixed Assets Register	GLT Head of Finance approval required
Asset Depreciation	Land & Buildings	35 years
	IT Equipment	3 years
	Furniture and Fittings	4 years
	Motor Vehicles	5 years
Stock Takes	If value of stocks exceeds £2,000	Monthly
	Differences in physical count in excess of £200	Notify GLT Head of Finance
Acquisition and disposal of freeholds on land and buildings		Board of Trustee approval required

Financial Assets

Petty Cash	Limit £500	Authorised by Head Approved by LGB
Corporate Purchase/Credit Cards	Total school limit of £5,000	Authorised by Head Approved by LGB
Reserves Policy	Schools must maintain a level of reserves equal to 3% of their total income in the approved annual budget.	
Borrowing including overdrafts and bank loans		Board of Trustee approval required

Income

Lettings and hire of facilities	Conducted through Greenshaw Learning Services Limited	Schools invoice GLS at 97%
Debt Write-Offs	Less than £1,000	Authorised by Head Approved by LGB
	Above £1,000	Board of Trustee approval required
Granting a lease on land and buildings		Board of Trustee approval required
Guarantees, Indemnities and Letters of Comfort		Board of Trustee approval required

Expenditure

Limit for single Purchase Orders delegated to Headteacher		£75,000
Procurement Policy	Orders up to £2,000	One quotation
	Orders from £2,000 but less than £5,000	Two quotations
	Orders from £5,000 but less than £75,000	At least three written comparable quotations
	Orders from £75,000 but less than £181,302	Formal Tender with GLT Head of Finance approval
	Orders from £181,302	Formal Tender with OJEU advertisement and Board of Trustee approval
Contracts and Service Level Agreements	Maturity of one year or less AND total liability within the Headteachers Delegated Authority	Authorised by Head, Approved by LGB, Notify GLT Head of Finance for inclusion into Contracts Register
	Maturity greater than one year OR total liability exceeds the Headteachers Delegated Authority	GLT Head of Finance approval required
Operating Lease		GLT Head of Finance approval required
Finance Lease, Finance Agreement, Hire Purchase Agreement or Leaseholds on Land and Buildings		Not permitted under any circumstances

Staff Expenditure

Special payments including severance payments, compensation payments and ex gratia payments	Board of Trustee approval required
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