



Financial Policy And Procedures Manual

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Statement of intent

It is important for West Coventry Academy (WCA) to demonstrate that governing body, members, staff and volunteers do not benefit personally from decisions made with regards to the spending of public money. To ensure that the financial standing of WCA cannot be brought into disrepute

This policy applies to all employees at WCA, as well as services and goods sourced from external agencies, such as contractors and caterers.

WCA takes its responsibility for handling public funds with the utmost importance and strives to continuously provide a high-quality education and safe learning environment, whilst having a strong financial standing.

This policy is to be referenced in conjunction with the Academies Financial Handbook 2020.

All employees must make themselves aware of WCA's Finance Policy.



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Introduction - Overview and Objectives of This Manual

The purpose of this manual is to ensure that the financial management of West Coventry Academy conforms to the following objectives and principles:

1. A clear definition of financial responsibilities.
2. A clear separation of duties where necessary and appropriate.
3. The operation of effective financial checks and controls.
4. Integrated financial planning and budgeting.
5. Regular and clear financial monitoring and reporting at an appropriate level of detail.
6. Compliance with Education & Skills Funding Agency (ESFA) rules and regulations and with audit requirements.
7. The securing of best value for money.
8. Operation in accordance with generally recognised financial best practice.
9. Clearly defined delegations of authority.
10. Is referenced in conjunction with the Academies Financial Handbook 2020.



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1.1 Finance Structure

WCA has defined the responsibilities of each person involved in the administration of academy finances to avoid the duplication or omission of functions and to provide a framework of accountability for governors and staff. The financial reporting structure is illustrated below:-



The organisation of WCA encourages regular interaction between those making financial decisions and those affected by them through the passing of information regarding any proposed actions through the reporting lines indicated above.

1.2 Role of the Governing Body

The Governing Body has overall responsibility for the administration of WCA finances. The main responsibilities of the Governing Body are prescribed in the Funding Agreement between WCA and the Secretary of State for Education. The main responsibilities include:

- ensuring that any grant from the Department for Education (DfE) is used only for the purposes intended;
- the approval of the balanced budget;
- the approval of delegated financial powers.
- Ensuring Budget forecasts are compiled accurately.

The Governing Body also recognises key roles set out in the DfE documents, 'Governance Handbook 2019' and 'Competency Framework for Governance 2017', these being:

- to be strategic, including ensuring that the Academy has clear aims and values, to raise standards of achievement and to ensure that the Academy's resources are directed to through the School Strategic Plan (SSP).
- to act as a critical friend, including identifying where the Academy is and is not achieving and supporting and challenging proposals of the Academy.



- to be accountable, including the promotion of standards and educational achievement and the Academy's overall performance.
- have written terms of reference describing its remit
- agree a programme of work annually to deliver internal scrutiny that provides coverage across the year.
- review the ratings and responses on the risk register to inform the programme of work, ensuring checks are modified as appropriate each year.
- agree who will perform the work.
- consider reports at each meeting from those carrying out the programme of work
- consider progress in addressing recommendations.
- consider outputs from other assurance activities by third parties including ESFA financial management and governance reviews, funding audits and investigations.
- have access to the external auditor as well as those carrying out internal scrutiny, and consider their quality.
- review the external auditor's plan each year.
- review the annual report and accounts.
- review the auditor's findings and actions taken by the trust's managers in response to those findings.
- assess the effectiveness and resources of the external auditor to provide a basis for decisions by the trust's members about the auditor's re-appointment or dismissal or re-tendering.

Governor's act with integrity, objectivity and honesty and in the best interests of the Academy and are prepared to explain their decisions and actions, if required.

1.3 Schedule of Financial Delegation

WCA has a detailed Schedule of Financial Delegation that sets out the financial responsibilities retained by the Governing Body as well as the delegation to the FRAC, Headteacher and to other members of staff within the Academy. A copy of this Schedule is at Appendix 1. This document is reviewed and approved by the Governing Body periodically, as reflected in the minutes of their meetings. In addition to the Schedule of Financial Delegation, Governors are made aware of the Academy Funding Agreement and the Academies Financial Handbook as part of their induction training. The Academy has adopted these documents and incorporated them into its Schedule of Financial Delegation.

The Academy also maintains individual job descriptions for the Headteacher, CFO and all others involved in the financial management of the Academy, setting out clearly defined levels of financial responsibility, including their relationship with the Governing Body.



1.4 Financial Policies

The Governing Body is responsible for ensuring that a number of policies are in place and regularly reviewed. All staff and governors are made aware of these policies through their induction training.

1.5 Review of Financial Procedures

Governors periodically, or following any significant changes to the financial practices being operated, will review this Finance Policy and Procedures manual. Approval of the manual will be reflected within the governor minutes. The manual is held within the policies file and is available to staff and governors. It is also brought to their attention through the induction process.

This Finance Manual should be read in conjunction with:

Anti-Fraud Policy
Staff Recruitment and Selection Policy
Charging & Remissions Policy
Data Protection Policy
Whistleblowing Policy

1.6 Role of the FRAC

Although there is no requirement for Academy's to have committees, the Governing Body has agreed that it will fulfil some of its responsibilities through a series of committees. The Governing Body as a whole decides the membership of each committee

The tasks that are carried out by the FRAC are as follows:-

1. Provide advice and offer recommendations to the Governing Body on all financial matters.
2. Scrutinise the drafts of the annual budget and the rolling five-year budget and make recommendations for their approval by the Governing Body.
3. Monitor income and expenditure against the annual budget and all other day-to-day financial issues within the limits of the Schedule of Delegation.
4. Monitor the financial regulations maintained by the Academy and the effectiveness of the Academy's financial procedures as set out in the finance handbook for staff.
5. Ensure the annual accounts are produced in accordance with the requirements of the Companies Act 2006 and the DfE guidance issued to academies.
6. Receive reports and monitor the professional development activities of the Academy.



7. Monitor financial areas of the Academy Plan on behalf of the Governing Body.
8. Review financial policies and recommend for approval to the full Governing body.
9. Monitor the implementation of such policies.
10. Review the reports of the Responsible Officer on the effectiveness of the financial procedures and controls and report on these to the full governing body.

1.7 Reporting Financial Updates to Governors

The Academy ensures that the Governing Body is kept fully informed about financial issues and developments at meetings of the FRAC by recording the details in the minutes. Following discussion, any issues of a significant nature are then fed back to the full Governing Body.

1.8 Role of the Headteacher/Accounting Officers

Within the framework of WCA's development plan and Schedule of Delegation as approved by the governing body the Headteacher has overall executive responsibility for WCA activities including financial activities. Much of the financial responsibility has been delegated to the Chief Financial Officer and to Designated Budget Holders but the Headteacher/Account Officer still retains responsibility for:

- ensuring the academy trust's property and assets are under the trustees' control, and measures exist to prevent losses or misuse
- ensuring 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.
- authorising contracts between £5,000 and £60,000 in conjunction with the Chair of the FRAC where appropriate (see Section 11.9);
- the overall integrity of the Academy's finances and the effective operation of the Academy's financial systems and controls;
- signing cheques in conjunction with other authorised signatories and in accordance with the bank mandate;
- ensuring that the Designated Budget Holders discharge their responsibilities effectively.
- the accounting officer must take personal responsibility (which must not be delegated) for assuring the Governing body that there is compliance with the funding agreement and handbook.

1.9 Role of Designated Budget Holders

WCA currently do not have designated budget holders, however this is being reviewed annually.



1.10 Role of the Responsible Officer

The Responsible Officer (RO) is appointed by the governing body and provides governors with an independent oversight of WCA's financial affairs. The main duties of the RO are to provide the governing body with independent assurance that:

- the financial responsibilities of the governing body 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.

The Responsible Officer will undertake a termly programme of reviews to ensure that financial transactions have been properly processed and that controls are operating as laid down by the governing body. A report of the findings from each visit will be presented to the FRAC.

1.11 Role of the Chief Financial Officer

Working with the Headteacher, the Chief Financial Officer prepares the initial draft annual budget for the Academy, which is submitted to the FRAC, for discussion and then the Governing Body for the final approval.

The Chief Financial Officer also provides specific expertise in long-term financial management and is responsible for:

- budgeting
- providing financial advice
- accountancy
- generating and monitoring income
- arranging and checking insurance
- costing projects undertaken by the Academy (building works, contracts, etc.)
- developing financial policy.
- Prepare management accounts on a monthly basis (to be shared with the FRAC and Governing Body)

Full details of all areas of responsibility are set out within the Job Description for this post. Refer also to the Academy's Schedule of Financial Delegation.



1.12 Role of Other Staff in Financial Management and Administration

In order for the financial system to operate well, staff with financial responsibilities must act with competence and integrity. As part of the interview and selection process, the Academy specifies the qualifications, experience and personal qualities desired for the post within the person specification. All staff with financial responsibilities are requested to complete the competencies matrix. The Headteacher reviews these and, where appropriate, training to support the members of staff is considered. Staff are also encouraged to review any training sessions offered both internally and by external providers in order to expand the knowledge that they already hold or to bring them up to date with current practices and expectations.

1.13 Academy Accounts Return (AAR), Budget Forecast Return (BFR) and Budget Forecast Return Outturn (BFRO)

The Chief Financial Officer is responsible for completing the annual AAR, the BFR and the BFRO for its submission by the ESFA deadline each year.

1.14 Register of Pecuniary (Business) Interests

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 WCA governors and staff with significant financial or spending powers are required to declare any financial interests they have in companies or individuals from whom WCA may purchase goods or services. The register is open to public inspection.

The register includes all business interests such as directorships, shareholdings or other appointments of influence within a business or organisation which may have dealings with WCA. The disclosures also include business interests of relatives such as a parent or spouse or business partner where influence could be exerted over a governor or a member of staff by that person. The register is published on the Academy's website.

The existence of a register of business interests does not detract from the duties of governors and staff to declare interests whenever they are relevant to matters being discussed by the governing body or a committee. Where an interest has been declared, governors and staff should not attend that part of any committee or other meeting.

The register is retained by the Clerk to the Governing Body and shows:-

- 1.14.1 the name of the governor/staff member (including close family members).
- 1.14.2 the nature of the business or personal interest.

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1.14.3 the name of the organisation or person which gives rise to the interest.

1.14.4 an indication of the circumstances in which a conflict might arise (if this is not already obvious).

No governor or member of staff accepts gifts or hospitality from current or potential suppliers, unless appropriate approval is obtained.



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2.1 Separation of Duties

WCA maintains this manual of detailed procedures in order to reflect the day-to-day management of financial administration. As far as possible, the allocation of duties has been made to ensure that the same person is not responsible for a process from start to finish in order to reduce the risk of error or intentional manipulation. Where this is not possible, the Headteacher or Chief Finance Officer undertakes some form of internal check, e.g. review the bank reconciliations, review of paying-in slips, etc.

For expenses incurred by the Headteacher, approval is obtained from either the Chair of FRAC or Chair of Governors or another authorised signatory.

In the event of long-term absence of any of the post holders, their responsibilities should be delegated upwards until alternative arrangements can be made.

2.2 Approved Signatories

Authorisation on an action, transaction, etc. is a key internal control. Staff are expected to exercise authority only where they have been delegated the power to do so. Authorisation is clearly recorded by the individual's signature and printed name. The finance office maintains specimen signature schedules. External agencies, notably the payroll provider, are notified of changes to authorised personnel promptly.

All orders and invoices are authorised for payment by the Finance Team or Headteacher.

2.3 Maintenance of Complete and Permanent Records

WCA ensures that complete financial records are maintained at all times so that transactions are traceable from the original documentation to the accounting records and vice versa. Where amendments are required, the person making the change initials the alteration. All manual records are completed in ink and correcting fluid is not used. All records are authorised or approved independently from the person completing them, e.g. approval of the costing for a residential journey or day visit, bank reconciliations, etc. and the records are signed to reflect this. Records are retained for the length of time recommended.

Security arrangements regarding financial data security and backup procedures, etc. are covered in Section 18 to this manual.

2.4 Review and Assessment of Procedures

On an annual basis, the Chair of the FRAC carries out a self-assessment of financial systems as part of the annual review of the risk register.



The result of this assessment is discussed with the FRAC, and is designed to ensure that effective controls are in place and to give reasonable assurance that all the funds managed by a Academy have been properly controlled and accounted for (refer also to Section 5).

2.5 Audit Arrangements

The governors of WCA ensure that access to financial records will be given to the Responsible Officer and external auditors, Registered Inspectors or their inspection teams and Her Majesty's Taxation Authorities for the purposes of audit inspection.

2.6 Internal Audit (by the Responsible Officer)

In the absence of an internal audit service the RO provides the GB with independent assurance that:

- the financial responsibilities of the GB are being properly discharged;
- resources are 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.

The main purpose of the RO role is to ensure that conditions of DfE grant, and the financial procedures which the DfE expect of an academy are followed.

The RO visits the academy at least once a term and undertakes a series of detailed tests to confirm the operation of the main financial systems.

Written records of the checks performed by the RO are maintained.

2.7 Risk Management

WCA undertakes an annual review of the areas of risk within the Academy both in terms of people and premises, including the following areas:

- identifying and assessing risks
- determining appropriate actions
- implementing the actions
- monitoring the results
- providing feedback



A designated governor, assisted by the Chair of the FRAC, leads on the assessment process and determines the possibility of an event occurring.

The findings of the risk assessment exercise / update are maintained in a risk register and formally reported back to governors and reflected in the minutes of their meetings.



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3.1 Account Arrangements

The Governing Body has agreed that WCA deposits all funds within the bank accounts set up by the Academy Trust.

The bank account is held with Lloyds Bank Plc.

3.2 Cheque Security and Signing

The governors of WCA have agreed that the signing of Academy cheques has been delegated to the following approved cheque signatories:

- Headteacher
- 2 x Deputy Head teachers

Cheques require 2 of the 3 signatures above.

The Academy has completed the required forms to instigate these arrangements and copies are retained securely. If the Headteacher is absent for a prolonged period of time the Academy will contact the bank to make alternative arrangements.

For cheques in excess of £20,000 and staff reimbursements, the supporting documentation is also signed by the cheque signatories to reflect separation of duties (i.e. the cheque signatory is not the same as the person receiving payment) and must be signed by the Headteacher.

In the event that a cheque is made out to the Headteacher, any two signatories other than the Headteacher will act as joint cheque signatories. (All reimbursements to the Headteacher are approved by the Chair of Governors prior to the cheque being raised).

3.3 Security and Control over Cheque Stationery

The CFO is responsible for controlling cheques and/or cheque books in issue. Cheque books are ordered automatically, printed cheque stationery is ordered as required. When not in use, cheques, cheque books and printed cheque stationery are kept securely. Access is restricted to the following personnel:

- Chief Financial Officer (CFO)
- Finance Officer (FO)



3.4 Accounting for all Cheques

The CFO is responsible for periodically checking the sequence of unused cheque books to ensure that all unused cheques can be accounted for.

Any anomalies are reported to the Headteacher immediately and the bank informed not to honour cheques which cannot be accounted for.

3.5 BACS payments to suppliers

The Finance Team will oversee the arrangements regarding BACS payments to suppliers. The Finance team will raise a batch of payments through the Academy's accounting software. The Finance Team will process the batch via Lloyds Commercial Banking Online for payment.

3.6 Online Arrangements

The Finance Team has been set up at the bank with password access to enable them to deal with online banking and telephone queries arising with the bank and a copy of the registration form is retained securely in case this is forgotten. The Finance Team is authorised to use internet banking with restricted access.

3.7 Changing Account Signatories

All changes to the authorised signatures must be approved by the FRAC.

3.8 Direct Debits, Standing Orders & BACS payments

The Finance Team will maintain a schedule of all direct debits, standing orders & BACS payments set up on the Academy's account(s) showing:

- payee
- reason for payment
- amount
- date set up
- frequency / timing of payment

These are only set up after careful consideration regarding the risk of error and the Academy's ability to meet the on-going cost. All mandates are signed by two of the authorised signatories. The mandates are retained in the finance office.



All direct debits, standing orders & BACS payments reflected on the bank statements are reconciled to the invoices received and any receipts obtained (e.g. use of the Academy petrol card).

The Finance Team will undertake a spot check of these procedures on a termly basis.

3.9 Business Cards/FairFX cards

Business credit cards are held in the name of the Head teacher's PA and Finance Officer and are kept securely in a safe.

3.10 Cashing Facility

It is the responsibility of the Finance Team to withdraw petty cash.

3.11 Reconciliation Process

Printed bank statements are received from the bank on a monthly basis, but on-line access is available at all times. The Finance Officer is responsible for overseeing the reconciliation of all accounts undertaken by the finance team. The reconciliation must be done at least on a monthly basis.

Once the items on the bank statements have been cleared, the list of unreconciled items is reviewed, and examined for old expenditure items and outstanding income items. All cheques that have not been presented at the bank within six months of production are investigated and written back into the account, where appropriate. Outstanding income items are investigated and chased through the bank, where appropriate.

Once the reconciliation process has been completed, the 'bank reconciliation' reports are retained.

3.12 Banking of Cash and Cheques

Cash and cheque receipts are reconciled by the Finance Officer and placed in sealed bags, held securely. Any cash held is banked on a monthly basis.

3.13 Cash Flow Forecasting

The Finance Team will maintain a forecast of cash flow on a rolling basis, to assist in optimal funds control and disposition.

The Academy is aware that it is not permitted to go overdrawn at the bank and, in the event that the Academy becomes aware that there are insufficient funds available to meet current commitments, the Academy will contact the ESFA for guidance.



The Academy monitors its bank position on a monthly basis with direct access to the bank and through the performance of formal bank reconciliations and on a half-termly basis through revised forecasting of the budget.

3.14 Prohibition of any Form of Credit Arrangement

WCA is aware they are not permitted to borrow money, unless they have the approval of the Secretary of State.

3.15 Purchasing Alcohol

The Academy is aware that fund must not be used to purchase alcohol for consumption, except where it is used for Religious services.



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4.1 Requirement to obtain ESFA approval

The academy trust has autonomy over financial transactions arising in the normal course of business. However, some transactions have delegated authority limits beyond which the trust will obtain prior ESFA approval. The Academy Trust will ensure they are familiar with these requirements and understand that the ESFA may intervene where trusts do not seek the required ESFA approval in advance.

4.2 Disclosure

Irrespective of whether ESFA approval is required, the academy trust will disclose aggregate figures for transactions of any amount, and separate disclosure for individual transactions above £5,000, in its audited accounts for the following transactions:

- special payments – compensation
- special payments – ex gratia
- writing off debts and losses
- guarantees, letters of comfort and indemnities
- acquisition or disposal of freehold land and buildings
- disposal of heritage assets
- taking up or granting a leasehold on land and buildings
- gifts by the trust

The following transactions will be disclosed in total, and individually:

- special payments – staff severance, of any value.

Other than what is required under financial reporting standards, the Charities SORP and the Accounts Direction, disclosure can be anonymised.

4.3 Novel, contentious and repercussive transactions

Novel, contentious and/or repercussive transactions will always be referred to [ESFA](#) for prior approval. ESFA may refer such transactions to HM Treasury for approval, so the trust should allow sufficient time for proposals to be considered.

- Novel transactions are those of which the academy trust has no experience, or are outside its range of normal business.
- Contentious transactions are those that might cause criticism of the trust by Parliament, the public or the media.
- Repercussive transactions are those likely to cause pressure on other trusts to take a similar approach and hence have wider financial implications.



4.4 Special payments

Certain transactions by public bodies may fall outside their usual planned range of activity and may exceed statutory and contractual obligations. HM Treasury calls these special payments, (see annex 4.13 of Managing Public Money), and are subject to greater control than other payments. They include:

- staff severance payments
- compensation payments
- ex gratia payments.

4.5 Special staff severance payments

Special staff severance payments are paid to employees outside statutory or contractual requirements when leaving public employment. They are different to ex gratia payments.

If the academy trust is considering a staff severance payment above statutory or contractual entitlements, it will consider the following issues before making a binding commitment:

- that the proposed payment is in the trust's interests
- whether the payment is justified, based on legal assessment of the trust's chances of successfully defending the case at employment tribunal. If there is a significant prospect of losing the case, a settlement may be justified, especially if the costs of a defence are likely to be high. Where a legal assessment suggests the trust is likely to be successful, a settlement should not be offered
- if the settlement is justified, the trust would need to consider the level of settlement. This will be less than the legal assessment of what the relevant body (e.g. an employment tribunal) is likely to award.

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

The academy trust has delegated authority to approve individual staff severance payments provided any non-statutory/non-contractual element is under £50,000 gross (i.e. before income tax or other deductions).



Where the trust is considering a non-statutory/non-contractual payment of £50,000 or more, (gross, before deductions), ESFA's prior approval will be obtained before making any binding offer to staff. ESFA will refer such transactions to HM Treasury, so the trust will allow sufficient time for proposals to be considered.

Academy trust will demonstrate value for money by applying the same scrutiny to a payment under £50,000 as those over £50,000, and have a justified business case. Settlements will not be accepted unless satisfying the conditions in this handbook and in ESFA's guidance and submission template.

4.6 Use of confidentiality clauses

Academy trusts will ensure confidentiality clauses associated with staff severance payments do not prevent an individual's right to make disclosures in the public interest (whistleblowing) under the Public Interest Disclosure Act 1998.

4.7 Compensation payments

Compensation payments provide redress for loss or injury, for example personal injuries, traffic accidents or damage to property. If an academy trust is considering a compensation payment, it will base its decision on a careful appraisal, including legal advice where relevant, and ensure value for money.

The Academy trust has delegated authority to approve individual compensation payments provided any non-statutory/non-contractual element is under £50,000. Where the trust is considering a non-statutory/non-contractual payment of £50,000 or more ESFA's prior approval will be obtained. ESFA will refer such transactions to HM Treasury.

The Trust will consider whether cases reveal concerns about the effectiveness of internal control systems and take steps to correct failings.

4.8 Ex gratia payments

Ex gratia payments are another type of transaction going beyond statutory or contractual cover, or administrative rules.

Ex gratia transactions will always be referred to ESFA for prior approval. HM Treasury approval may also be needed. If the trust is in doubt about a proposed transaction, they should seek ESFA advice.



4.9 Write-offs and entering into liabilities

The academy trust will obtain ESFA's prior approval for the following transactions beyond the delegated limits described below:

- writing-off debts and losses
- entering into guarantees, letters of comfort or indemnities.

The delegated limits, subject to a maximum of £250,000, are:

- 1% of total annual income or £45,000 (whichever is smaller) per single transaction
- cumulatively, 2.5% of total annual income in any financial year per category of transaction for the trust if not submitted timely, unqualified accounts for the previous two financial years.
- cumulatively, 5% of total annual income in any financial year per category of transaction for the trust if not submitted timely, unqualified accounts for the previous two financial years.

In relation to these limits:

- the trust will always pursue recovery of amounts owed to it, including overpayments, or erroneous payments. In practice, however, there will be practical and legal limits to how cases should be handled
- the trust will only consider writing-off losses after careful appraisal, including whether all reasonable recovery action has been taken with the debtor, the trust's insurers, or the risk protection arrangement, and should be satisfied there is no feasible alternative
- the amounts for write-offs are before successful claims from an insurer or the risk protection arrangement
- total annual income is defined as grant income as disclosed in the trust's last audited accounts.

Before accepting liabilities by issuing guarantees, a letter of comfort or indemnity, the trust will secure value for money by appraising the proposal through assessment of the costs and benefits of relevant options.

4.10 Acquisition and disposal of fixed assets

The Academy trust will obtain prior approval from ESFA for the following transactions:

- acquiring a freehold of land or buildings
- disposing of a freehold of land or buildings



- disposing of heritage assets, as defined in financial reporting standards, beyond any limits in the funding agreement for the disposal of assets generally.

Other than land, buildings and heritage assets, trusts can dispose of other fixed asset without ESFA's approval subject to achieving the best price that can reasonably be obtained, and maintaining the principles of regularity, propriety and value for money.

4.11 Leasing

There are two types of lease:

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

The Trust will obtain ESFA's prior approval for the following leasing transactions:

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

Other than the above, the trust does not require ESFA's approval for operating leases. The trust will ensure any lease maintains the principles of value for money, regularity and propriety. The Trust will seek advice from our professional adviser and/or external auditor if in doubt over whether a lease involves borrowing.

4.12 Borrowing

The Academy trust will obtain ESFA's prior approval for borrowing (including finance leases and overdraft facilities) from any source, where such borrowing is to be repaid from grant monies or secured on assets funded by grant monies, regardless of the interest rate chargeable. Credit cards will only be used for business expenditure, and balances cleared before interest accrues.

However, the academy trust will only be granted permission for borrowing in exceptional circumstances, such as schemes introduced by the Secretary of State to meet broader policy objectives - for example the Department's Condition Improvement Fund for capital projects, and the Salix scheme that supports energy saving.

4.13 Related party transactions

Related parties include persons and entities with control or significant influence over the academy trust, and members of the same group (e.g. parent and subsidiary companies).



Principles applying to related party relationships

The Academy trust will be even-handed in their relationships with related parties by ensuring that:

- trustees comply with their statutory duties as company directors to avoid conflicts of interest, not accept benefits from third parties, and declare interest in proposed transactions or arrangements
- all members, trustees, local governors of academies and senior employees complete the register of interests
- no member, trustee, local governor, employee or related individual or organisation uses their connection to the trust for personal gain, including payment under terms that are preferential to those that would be offered to an individual or organisation with no connection to the trust
- there are no payments to trustees by the trust unless permitted by the articles, or by authority from the Charity Commission, and comply with any relevant agreement with the Secretary of State. Trusts will need to consider these obligations where payments are made to other business entities who employ the trustee, are owned by the trustee, or in which the trustee holds a controlling interest
- the Charity Commission's approval is obtained where the trust believes a significant advantage exists in paying a trustee for acting as a trustee
- payments provided to the persons that satisfy the 'at cost' requirements in the Academies Financial handbook 2020.

4.14 At cost requirements

The trust will pay no more than 'cost' for goods or services ('services' do not include contracts of employment) provided to it by the following persons ('persons' meaning both individuals and organisations):

- members or trustees of the academy trust.
- individuals or organisations related to a member or trustee of the academy trust. For these purposes the following persons are related to a member, or trustee.
- a relative of the member or trustee. A relative is defined as a close member of the family, or member of the same household, who may be expected to influence, or be influenced by, the person. This includes, but is not limited to, a child, parent, spouse or civil partner.
- an individual or organisation carrying on business in partnership with the member, trustee or a relative of the member or trustee.
- a company in which a member or the relative of a member (taken separately or together), and/or a trustee or the relative of a trustee (taken separately or together), holds more than 20% of the share capital or is entitled to exercise more than 20% of the voting power at any general meeting of that company.



- an organisation controlled by a member or the relative of a member (acting separately or together), and/or a trustee or the relative of a trustee (acting separately or together). For these purposes an organisation is controlled by an individual or organisation if that individual or organisation can secure that the affairs of the body are conducted in accordance with the individual's or organisation's wishes.
- any individual or organisation given the right under the trust's articles of association to appoint a member or trustee of the academy trust; or any body connected to such individual or organisation.
- any individual or organisation recognised by the Secretary of State as a sponsor of the academy trust; or anybody connected to such individual or organisation.

4.15 Income contracts

- Income contracts are also subject to related party transaction procedures (see 4.13)



Contents

5. Financial monitoring and reporting

- 5.1 Internal monitoring
- 5.2 Reporting to the ESFA
- 5.3 Risk Register
- 5.4 Fraud



5.1 Internal Monitoring

Following the month end procedures set out in Section 6 a number of budget monitoring reports are extracted by the CFO. All reports extracted are initially reviewed and, where appropriate, annotated, by the CFO.

The Governing Body and staff of WCA will be regularly consulted to ensure that the financial management information they receive is relevant, timely, reliable and understandable.

Chief Financial Officer (CFO)

The CFO will provide the Accounting Officer (Headteacher) and the FRAC a detailed report of the whole Academy income and expenditure.

The forecast outturn for the year will reflect:

- any significant variances between the profiled budget and the actual position to date
- the reasoning behind the variances (outstanding bills, increased overtime due to sickness, pending insurance claims, etc.)
- proposals for addressing any issues that have been identified
- The report will also reflect capital income and expenditure separately from revenue so that the two allocations do not become confused.
- These variance reports will support the monitoring information provided to the FRAC.

Finance Risk Audit Committee (FRAC)

On a monthly basis, The Chair of the FRAC is provided with financial reports, with appropriate explanations for variances from budget. Reports are presented to the FRAC at least 6 times a year. These reports are derived directly from the Academy's accounting package.

The FRAC authorise any adjustments to the annual budget. They also consider and approve any virements between existing budget headings at this stage. Any virements are reviewed in line with the Academy's overall aims and objectives

In addition to the budget monitoring reports, the members of the FRAC are also provided with the following records, as required:

- details of significant changes to the asset register that may require further investigation or approval
- details of likely or actual bad debts that may require writing off and their effect on the budget
- details of any relevant financial issues being considered / implemented at the time



- accounts relating to any area of spending they wish to monitor, paying particular attention to areas of earmarked funding and specific activities, e.g. catering.

Funds devolved to the Academy on an earmarked basis must be used for the purposes given. An institution providing earmarked funds may recover any funds that are not spent for the purposes prescribed or not spent in-year.

Governing Body

The members of the Governing Body meet on a half termly basis and receive copies of the minutes from all committee meetings that reflect all decisions made and responsibilities for actions to be taken, with their agenda.

5.2 Reporting to the Education & Skills Funding Agency

The ESFA publishes an accounts direction each year setting out its requirements for the preparation of the academy trusts annual reports and financial statements The CFO ensures that all returns are sent to the ESFA within the deadlines published.

5.3 Risk Register

The Governing Body of WCA ensures that there are robust systems for identifying, controlling and monitoring all significant risks. To achieve this, the Governing Body has nominated a governor to oversee the allocation of responsibilities and financial procedures on an annual basis to ensure that:

- separation of duties is maintained
- internal controls operate within each financial system
- procedures are still current and relevant

The Academy undertakes an annual self-assessment of its financial systems. This work is supported by the findings from the Responsible Officer. The results from this are used by governors when considering the risks and the need to disclose any significant weaknesses.

The Governing Body will meet in January each year to determine that they and the Academy have gone through an adequate process to assess the state of the Academy's internal control and that any notable weaknesses have been identified, declared and formally minuted.

5.4 Fraud

The Academy trust is aware of the risk of fraud, theft and irregularity and addresses it by putting in place proportionate controls. The trust will take appropriate action where fraud, theft or irregularity is suspected or identified.



The board of trustees will notify ESFA, as soon as possible, of any instances of fraud, theft and/or irregularity exceeding £5,000 individually, or £5,000 cumulatively in any financial year. Unusual or systematic fraud, regardless of value, will also be reported.

The following information is required:

- full details of the event(s) with dates
- the financial value of the loss
- measures taken to prevent recurrence
- whether it was referred to the police (and if not why)
- whether insurance or the RPA have offset any loss.



Contents

6. Accounting Routines

- 6.1 Guidance materials
- 6.2 Month-end procedures
- 6.3 Coding structure
- 6.4 Year-end / closedown procedures
- 6.5 Suspense, holding and control accounts
- 6.6 Journals and other exceptional entries



6.1 Guidance Materials

WCA operates its financial package in accordance with the guidance materials and in conjunction with advice received from the appointed auditors

6.2 Month-end Procedures

The month-end routine is managed by the Finance Team. In order for relevant budget monitoring information to be produced, the Academy's accounting package must be up to date. The Academy has a set month-end routine regarding the Academy's financial package to ensure that the accounts are up to date prior to the budget monitoring reports being produced.

This includes ensuring that:

- all postings onto the computerised financial management are brought up to date
- all debtors, creditors, accruals and prepayments are identified and entered on software. Workings for all such items are retained on file.
- bank reconciliations is performed, printed, checked, signed and kept on file (please refer to Section 3)
- control accounts are reviewed and cleared
- budget monitoring reports are printed and monitored (please refer to Section 5)
- VAT returns are completed monthly.

6.3 Coding Structure

WCA has set up its coding structure in order to provide the required reports for auditors, ESFA, governors and Consistent Financial Reporting.

6.4 Year-end / Closedown Procedures

The year-end routine is undertaken by the CFO. At the end of each financial year a "soft close down" is performed in the software until all accruals and prepayments have been identified and processed, and all reconciliations and control accounts have been successfully performed. Once all periods have been closed, a backup is taken. Then the year-end procedure is run.

When completing the year-end the CFO reviews the accruals taking into consideration:-

- Debtors -includes an accrual for bank interests and outstanding income.
- Prepayments -includes payments made in advance for Academy journeys (e.g. deposits), lease payments that stretch over more than one financial year, courses booked and paid for in advance.
- Creditors -supplies and services already received by not yet paid for.



- Receipts in advance -includes income received for an activity taking place in the following financial year, e.g. Academy journeys

After all year-end adjustments have been taken into consideration and the final accounts have been prepared by the accountants and approved by the governors a final close is performed.

6.5 Suspense, Holding and Control Accounts

All suspense and holdings accounts (e.g. any used for the in-house payroll operation) are reviewed by the CFO on a monthly basis and cleared regularly. Any balances that cannot be immediately cleared are reported separately to governors as part of their monthly monitoring reports.

The VAT control account is monitored as part of the month end procedure to ensure that all expected reimbursements have been received. WCA is aware that it has a three-year deadline for recovering VAT and that any reimbursements not received within this time will no longer be recoverable and would need to be written out of the package.



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7. Payroll and Employee Expenses

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- 7.2 Authorisation of appointments
- 7.3 Pre-employment checks
- 7.4 Starters/variations/leavers
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- 7.6 Checking of Payroll Data
- 7.7 Pay-related expenses
- 7.8 Pay advances
- 7.9 Staff deductions
- 7.10 Nominal roll check
- 7.11 Payroll Posting
- 7.12 Expenses - general
- 7.13 Travel expenses



7.1 Payroll/HR Arrangements

WCA has a contract with Coventry City Council for the processing of payroll. The HR Manager and Headteacher review these arrangements on a regular basis.

The guidelines for the recruitment process are set out in the Academy's 'Safer Recruitment & DBS Checks Policy'.

7.2 Authorisation of Appointments

WCA acknowledges that the Headteacher has a professional duty to participate in the selection and appointment of teaching and non-teaching staff, with the exception of the Headteacher post. All staff appointments and promotions, etc., within the annual budget are made in accordance with the Academy's Pay Policy and authorised by the Headteacher. All staff changes are notified to the full Governing Board, at their next meeting.

All appointments will be made following a formal process of advertisement, short listing, interview/selection procedure and notification of offer. The HR Manager will ensure that records are kept of all key stages in this process.

7.3 Pre-Employment Checks

Before a member of staff is allowed to take up their position, WCA ensures that thorough checks are undertaken to prevent unsuitable people from gaining access to children and to maintain the integrity of the teaching profession. These checks include:

- identity confirmation
- academic qualifications, where appropriate
- professional and character references
- previous employment history
- DBS clearance
- Health Clearance

Detailed procedures are in place for those members of staff who are involved with the appointment process.



7.4 Starters/variations/leavers

All forms for:-

- setting up new employees on the payroll (starters)
- effecting variations to pay
- taking existing employees off the payroll (leavers)

must be made out by the HR Manager and authorised (signed) by 2 of the following: Headteacher, Deputy Head teacher's and HR Manager.

7.5 Timesheets

All time sheets submitted by a member of staff must be checked and then authorised (signed) by their Line Manager before they given to the HR Manager for final authorisation to pay, or in their absence, the Headteacher.

7.6 Checking of payroll data

Payroll data received monthly from Coventry City Council must be scrutinised by the HR Manager, to ensure all employees are recognised, and pay appears reasonable. The HR Manager will also check the accuracy of the pay calculations.

7.7 Pay-related expenses

All pay-related expenses must be processed through the payroll system. Pay-related expenses must never be paid via petty cash, or by the creditor payment system.

7.8 Pay Advances

Pay advances are only made in very exceptional cases and approval is required from the Headteacher. All advances are recovered automatically through the payroll provider.

No other loans or advances will be made to any person unless the Governing Body has given the Headteacher the power to authorise such. Tax requirements will be observed in any such instances.

7.9 Staff Deductions

All staff deductions, e.g. pension contribution, loans, etc. are notified to the payroll provider using the standard forms. These deductions are collected automatically by Coventry City Council and paid over to the relative bodies.



Requests by employees for deductions, e.g. pension scheme, union contributions, etc. must be made in writing. Similarly, any amendments to address, marital status, bank details, etc. must be made in writing.

7.10 Nominal Roll Check

Coventry City Council provide the Academy with an Establishment report in March and September for all staff showing their grades, proportion of whole time, allowances, etc.

This report is checked by the HR Manager referring to the contracts held by the Academy, paying particular attention to the following:

- ensuring that all recent changes have been properly actioned
- ensuring that part-time hours have been properly reflected
- ensuring that temporary contracts have been properly set up, i.e. that termination dates are reflected within the payroll system to prevent the overpayment of staff
- ensuring that teaching staff or non-teaching staff, who are not currently making contributions towards a pension have formally opted out of the scheme

Any errors identified are reported back to Coventry City Council to ensure that pay and deductions are consistent with each individual's employment terms and entitlements and vice versa.

7.11 Payroll Posting

The payroll analysis is posted monthly by the CFO onto the Access accounting package.

7.12 Expenses – General

It is the policy of WCA that expenses will only be paid in respect of costs incurred while on Academy business.

All benefits in kind, such as accommodation, use of telephones, vehicles, provision of clothing, equipment, etc., will be paid through the payroll provider to enable taxable deductions to be taken into consideration.

Staff are expected to make only incidental personal use of Academy's facilities, e.g. telephone, photocopier, etc. If any member of staff wishes to make greater use of any facilities they must obtain permission of the Headteacher and a recharge of the cost plus VAT will be made.

7.13 Travel Expenses

Staff travel expenses which arise as a result of working on Academy's business away from WCA premises are claimed on a monthly basis using an expenses claim form which is duly authorised.



Claims made by the Headteacher are authorised by the Chair of Governors.

For tax reasons, mileage can only be claimed for the excess mileage in travelling to WCA rather than between Academy and home. Where the Governing Body/Headteacher agrees to pay expenses for any journeys from home to Academy the claimant will clearly record these and the CFO will ensure that the payroll provider treats these as taxable.

Payment is only made when supported by authorised claim forms.

The rates at which mileage and subsistence allowances are paid do not exceed the maximum level of the HMRC Authorised Mileage Rate. WCA is aware that payment may be made in excess of the recommended rate however any element in excess of this limit would be subject to taxable deductions.

No governors' expenses will be paid without the express approval of the governing body.



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8. Orders and receipt of goods / services

- 8.1 General
- 8.2 Orders and requisitions (below the contract limit)
- 8.3 Receipt of goods / services
- 8.4 Outstanding orders / commitments



8.1 General

It is the policy of WCA that all dealings with its suppliers and contractors be carried out in such a way as to preserve the integrity of WCA. It is also the policy of the Academy that best value for money be obtained at all times. Ordinarily this is demonstrated by some form of 'market testing' to secure the best price / quality available.

8.2 Orders and Requisitions (below the Contract Limit)

Please refer to section 11 on contracting for supplies and services in excess of this limit

The purchase of goods or services below the required contract limit of £60,000 is subject to quotes, as set out in the Academy's Schedule of Financial Delegation. A specification and at least three written quotes will be obtained for supplies and services between £5,000 and £60,000. Between £1,000 and £5,000, at least three prices, taken from written or verbal quotations or price lists, will be examined and retained. Where quotes are required, orders will only be placed once they have been considered and approval has been obtained from the Headteacher. A potential contract must not be divided in order to avoid the need to implement Contract Regulations. For orders less than £1,000 more than one quote will be obtained wherever possible or appropriate.

All orders must be raised using the official Academy stationery and should be used for all goods and services.

Telephone orders are not encouraged and should only be used where this is absolutely necessary and authorisation is obtained in advance from the budget holder. These orders should be retrospectively recorded in the accounting package to ensure that all commitments are captured within the budget monitoring reports extracted from the system.

If an order is placed by any other person details must be provided to the Finance Team as soon as possible thereafter so that a proper record can be made.

Internet ordering is limited to items that cannot be purchased through the normal procurement process. Ordering over the internet is normally carried out by the Finance Team.

Academy orders should not be used to obtain goods and services for individuals or other organisations associated with the Academy.

No individual should purchase supplies or services on behalf of the Academy unless authorised to do so. Claims for reimbursement of expenses incurred personally may be refused if this requirement is not observed. It is essential for issues of ownership, liability and VAT recovery that it is always clear when an individual undertakes any purchasing or enters a commitment on behalf of the Academy.



If the supplier appears on the register of business interests and if the Governing Body has not specifically authorised transactions with the supplier, then the prior approval of the Chair of Governors is obtained and recorded and filed with the register which will be examined at least annually by the Governing Body.

Orders are emailed directly to the suppliers, then printed from the accounting package and the supplier's copy authorised in accordance with the governors Schedule of Financial Delegation. Once authorised, the original is issued. To the supplier and a copy of the order is matched to the original requisition and retained in the finance office.

8.3 Receipt of Goods / Services

Deliveries are handled by the receptionists who sign the delivery note as to quantity of parcels received. They are signing for delivery only and are not responsible for verifying the contents, (unless the supplier's terms make checks a point of delivery essential), but should ensure the correct number of packages, etc. are received as reflected on the delivery note.

The relevant department is contacted as soon as possible following delivery and it is their responsibility to thoroughly check the goods as to quality and quantity against the original order.

The department recipient will advise any short deliveries, damaged goods, or other problems or queries with the finance office immediately. The finance office will take appropriate action.

Delivery notes should be given to the finance office to be placed on file with the order copy to await receipt of the invoice.

It is the responsibility of the recipient to ensure that all paperwork relating to accounts matters is forwarded to the finance office without delay. Failure to do this may distort the accounts / financial reports due to incomplete entries and may result in a delay in closing down a month's accounts.

8.4 Outstanding Commitments / Orders

All outstanding orders are shown on the budget monitoring reports as commitments. In order to ensure that the level of commitments is still appropriate, an 'outstanding order' report is extracted from the accounting package by the finance assistant and reviewed for appropriateness on a monthly basis.



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9. General expenditure controls

- 9.1 Invoice authorisation
- 9.2 Invoice payment
- 9.3 Payment made by standing order or direct debit
- 9.4 Proforma invoices



9.1 Invoice Authorisation

When an invoice is received, it is logged on the finance system.

All invoices are stored electronically to avoid unnecessary sharing of documents, in readiness for monthly BACS payments.

9.2 Invoice Payment

The Finance Office will authorise payment of the invoices on the accounting package providing:

- satisfactory receipt of the goods or services has been acknowledged
- expenditure must be properly recorded
- invoices accord with quotations, tenders, contracts or catalogue prices, as acknowledged by the Finance Team
- invoices are arithmetically correct and checked by the Finance Team
- discounts have been taken, where available
- invoices are made out in the name of the Academy
- invoices comply with VAT requirements

The payment is then prepared by the finance team in a monthly BACS run. The finance team presents the cheque/BACS together with all supporting documentation to authorised signatories for signing/approval. Cheques/BACS can only be approved by authorised signatories in accordance with WCA's arrangements with its bankers.

The finance office files paid invoices electronically with the date of payment and the invoices are filed in cheque/BACS sequence and retained.

To ensure that invoices are paid within the settlement terms stated on the invoice or within 30 days from the date of issue the finance officer monitors the unauthorised invoices on the system. Where authorisation is not possible, due to a dispute/query with the suppliers, details are recorded and retained with the invoice.

Discounts for prompt payment should be considered at all times. If prompt payment would result in discounts likely to be greater than any bank interest gained, then payments should be prompt to ensure the discount, subject to availability of funds at the time.

9.3 Payments Made by BACS, Standing Order or Direct Debits

Please refer to Section 3.



9.4 Proforma Invoices

Requests for staff reimbursement or payment where an official invoice cannot be obtained are supported by an internal proforma with supporting receipts or other documentation attached detailing what was purchased. The proforma invoices are used to record the supply or goods received and the reason for this (e.g. ingredients required for cookery), signed by the member of staff and authorised by the Finance Team.

NB: - No individual should incur expenditure on behalf of the Academy without prior authorisation. If the CFO is not satisfied that the expenditure was necessary and/or value for money achieved, the individual may not be reimbursed.



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- 10.2 Devolved formula capital allocation
- 10.3 Capital project plan – restrictions on ineligible expenditure
- 10.4 Property / premises related projects – need to obtain approval from the area Planning Officer
- 10.5 Accounting for capital expenditure
- 10.6 Capital expenditure – contributions from revenue



10.1 General

The staff and governors of WCA will exercise the same controls for capital income and expenditure as required for revenue items.

Please refer to sections 8, 9 and 13 regarding the raising of orders, the authorisation and payment of invoices, and general income controls.

10.2 Devolved Formula Capital Allocation

On an annual basis, the Academy receives an allocation of Capital according to the funding formula. This can be spent in the year of allocation or carried forward for up to three years to support the larger capital projects of the Academy. WCA is aware that any balances not spent within three years may have to be returned to the ESFA

10.3 Capital Project Plan – Restrictions on Ineligible Expenditure

The Governing Body of WCA has an on-going development plan for the maintenance of the Academy buildings and other capital projects. This forms part of the Academy's improvement plan and has been factored into the Academy's medium term finance plan.

Governors are aware of the need to raise formal contracts for works undertaken in the Academy, and that, depending upon the value, tenders and not just quotes may need to be obtained. Please refer to section 11 of this manual.

The governors are aware that the Devolved Funding Capital (DFC) allocation cannot be vired into any other areas or used for any form of revenue expenditure, e.g. for redecoration or leasing arrangements (as these items are deemed to be of a revenue nature).

Progress against the 'capital projects' plan and the financial implications are monitored by governors separately from the revenue budget. (Please refer to Section 5.)

10.4 Property / Premises Related Projects – Need to Obtain Approval from the Headteacher

Before any capital works are undertaken, consideration is given to the need to obtain consent from the Area Planning Officer.

10.5 Accounting for Capital Expenditure

As the funding for Devolved Formula Capital is received by the Academy locally, invoices relating to this allocation are paid for directly by the Academy through its local account.

In addition, the Academy may be successful in bidding for works through the Capital Programme.



10.6 Capital Expenditure – Contributions from Revenue

The Governing Body is aware that WCA cannot reflect an 'overspend' on capital items. Where the capital costs exceed the available capital resources available, a transfer from revenue to capital will be undertaken to offset the difference. (The cost of projects will have been agreed in advance, along with the sources of funding. The on-going progress of such projects is closely monitored by the Academy and the FRAC on a regular basis.)

The Academy may also undertake a transfer from revenue to capital in advance of the actual expenditure being incurred where work is imminent. The Academy would only undertake such a transfer once it is sure that the commitment will occur as it is clear that, once moved into capital, funds cannot be transferred back into revenue.

The governors of WCA are also aware that they are not permitted to enter into any form of borrowing without the approval of the Secretary of State, (Please also refer to Section 3 of this manual.



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- 11.6 Receipt and evaluation of tenders
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- 11.8 Contract monitoring
- 11.9 Income contracts
- 11.10 Leases
- 11.11 Contract signature



11.1 Procurement and spending decisions

The academy trust will be able to show that public funds have been used as intended by Parliament.

Procurement basics

The academy trust will ensure:

- spending has been for the purpose intended and there is probity in the use of public funds
- spending decisions represent value for money
- internal delegation levels exist and are applied
- a competitive tendering policy is in place and applied, and the procurement rules and thresholds in the Public Contracts Regulations 2015 are observed unless alternative arrangements to these regulations are introduced
- professional advice is obtained where appropriate.

11.2 Compliance with Contract Regulations

The Governing Body makes its buying decisions in accordance with the principles of 'best value' probity and accountability. Prior to entering into any arrangement with a supplier, WCA will consider the value of any single purchase or on-going arrangement. Where an arrangement requires a contract to be drawn up, or where it is unclear whether a contract is required, or where any purchase is over £60,000 in value, the following guidance is followed. This includes:

- reviewing a pre purchase checklist
- considering the need for a tender process
- ensuring that the Academy avoids unlawful leases
- considering the employment status of consultants and suppliers being contemplated
- reviewing the risk assessment process
- ensuring appropriate DBS clearance is obtained
- maintaining appropriate contract records

The Health and Safety competence of contractors is assessed.

Only contractors registered with their professional or trade association will be employed to carry out major work at the Academy. Where practical, work is carried out at the end of the Academy day (term time), or during holiday periods.



11.3 Contract Value and Tendering Requirement

Purchases for supplies and services with a total value in excess of £60,000 are subject to a formal tendering procedure. The value is determined by either the total value of the contract where the contract is for four years or less, or the value over a four year period where there is no specified termination date or where this date is beyond four years.

It is the responsibility of the Headteacher and the FRAC to ensure that such procedures have been followed correctly, prior to agreeing the contract.

11.4 Roles Required Under Contract Regulations

WCA will appoint the appropriate officers to undertake the required roles within the tendering and contract management process, including a:

- Contracting Officer *
- Contract Director *
- Tender Opening Officers

* Who may be an agency appointed by the Headteacher

The Academy is required to ensure that there are at least two people available to open and record the tenders that are received (Tender Opening Officers) and that these should exclude the CFO and HR Manager.

11.5 Stages in the Tendering Process

The Academy's tendering process ensures that all required stages are completed, including:

- A written specification is prepared, by the relevant department and authorised by the Headteacher
- The tender document is prepared, by the Contract Director, as appointed by the Headteacher.
- A draft contract is prepared, and reviewed (including the mandatory clauses highlighted in Contract Regulations).
- An advertisement is prepared, by the Contract Director. Where purchases exceed £173,000, the Academy advertises for applications to tender in a local journal with a reasonably wide circulation and/or in the relevant trade or professional journals. Where appropriate, the suppliers invited to tender are drawn from the approved list maintained by the finance office.
- A tender pack is put together, by the Contract Director.
- The advert is placed, by the Contract Director.



- A tender pack is issued to all being invited to tender and those responding to any tender advertisement, by the Contract Director including:
 - An introduction/background to the project
 - The scope and objectives of the project
 - Any technical requirements
 - Implementation details for the project
 - The terms and conditions of the tender
 - The form and date of response to the Academy
- A panel is formalised to evaluate the tenders received, by the Contract Director
- The unsuccessful tenderers are informed of the Academy's decision, by the Contractor Director
- A meeting is arranged with the successful supplier and the contract is formalised by the Contracting Officer.
- The contract is signed and issued (the contract must be signed by two people), by the Contracting Officer and Contract Director.

WCA acknowledges that, where possible, separation of duties should be maintained between the person signing a contract and the person who would usually sign the corresponding cheques. The governors of WCA recognise that all contracts with external organisations must be in writing and reflect the following information:

- a description of the service (specification)
- details of insurance minimums (Public Liability - £5,000,000 for any one incident, Employer Liability - £10,000,000 for any one incident)
- DBS checks on all staff / volunteers with contact with the children or their details
- termination clauses
- health and safety requirements
- Data Protection and Freedom of Information
- sub-contracting

WCA selects suppliers on the basis of their capacity to provide quality, quantity, service, timely delivery and price competitiveness. Volume discounts and credit terms are taken into account. Consortia are used where they provide value for money.

Suppliers are selected from:

- Business directories
- Trade journals
- Supplier catalogues and mail shots
- information from other Academies
- Information provided by the LEA



11.6 Receipt and Evaluation of Tenders

Tenders are addressed to the 'CFO/HR Manager' in a plain envelope marked 'Tender' and must be opened in the presence of the Tender Opening Officers. A tender log is maintained indicating the nature of the contract, the names of the tendering suppliers and the amounts of each tender, together with any appropriate comments.

All tenders are opened at the same time by staff authorised to do so. The following information is recorded:

- The date and time of opening
- The names and signatures of those present
- The value of each tender
- Details of suppliers who declined the invitation, or failed to submit a tender
- Any omissions in the submission, e.g., documents, signatures, missing data.

Late tenders are rejected and retained unopened until the contract is awarded. They are then returned to the tenderer with an explanatory note.

Contracts are placed on a competitive basis and the reasons for selecting a supplier are minuted. If the lowest tender is not accepted, this is noted and the reasons for non-acceptance outlined.

The decision as to which tender to accept is made as follows:

- by the FRAC for budgeted expenditure up to £150,000 with an obligation to report on reasons to the full Governing Body
- by the full Governing Body for budgeted expenditure of £150,000 or more. In this case, the FRAC make recommendations as to which tender to accept, except in the case of specific projects where that committee will make recommendations
- by the full Governing Body if the expenditure has not been included in the budget.

The following points are considered when deciding which tender to accept:

Suppliers

- Qualifications, technical ability and experience
- Pre sales demonstrations
- After sales service
- Quality procedures
- References from existing customers
- Financial status
- Company search (where appropriate)
- Professional indemnity insurance
- Cost



- Overall price
- Unit price for parts of the product or service
- The possibility of 'hidden costs'
- Scope for negotiation

11.7 Tendering Requirement Thresholds

The governors of WCA require a minimum of three tenders for contracts over £173,000 and must comply with current EU regulations and all relevant legislation.

11.8 Contract Monitoring

The person appointed as Contracts Director for each contract, is responsible for ensuring Service Level Agreements are in place and that they are monitored and reviewed.

All contractors' work must be closely supervised by the Contracts Director.

The Contracts Director keeps a record of the monitoring undertaken and the results are reported on an 'exception only basis' to the resources committee.

This review of contracts extends to all on-going arrangements with suppliers, regardless of value, e.g. window cleaning, refuse collection, contracts taken out through the Academy, etc. In considering the options for ICT, telecommunications and payroll, the Academy takes into consideration the Local Authority's 'Best Value guides' for these areas.

11.9 Income Contracts

The Academy will follow the procedures below when awarding an income contract:

- A written specification is prepared, by the relevant department and authorised by the Headteacher to ensure value for money and to determine best fit for the needs of the Academy.
- An advertisement is prepared, by the Academy and published onto the Academies website for a period of 28 days.
- The Headteacher, Chair of Trustee's and Finance/Premises Manager will review all applications and conduct a process of financial due diligence.
- Applications that meet the specification will be invited to present to the Headteacher, Chair of Trustee's and Finance/Premises Manager.
- The Headteacher will seek ratification with the FRAC, prior to notifying the successful applicant.
- The unsuccessful applicant are informed of the Academy's decision, by the Academy as instructed by the Headteacher.



- A meeting is arranged with the successful applicant and the contract is formalised by the Academy.
- The contract is signed and issued (the contract must be signed by two people), by the Headteacher and Finance/Premises Manager.

Monitoring of Income Contracts

- The contract is monitored by the Finance/Premises Manager to ensure best value for money and to ensure that the contract is being adhered to.
- Quarterly review meetings will take place between Headteacher, Finance/Premises Manager and the contract holder. Key findings will be shared with the FRAC.

Contract Renewal

- Reassess the contact and ensure that it continues to provide value for money and meet the needs of the academy.
- A formal meeting will take place with the Headteacher, Chair of trustees and the contract holder, the review will determine whether the contract holder to review their future plans and continue to deliver a value for money service that meets the academies needs.
- Contract renewal will be agreed by the FRAC committee for ratification before a decision is shared with the contract holder.
- Contract holder will be formally notified in writing of the decision. Should a decision be made not to renew with the current contract holder, then the Academy will start the process of awarding a new income contract.

11.10 Leases

WCA holds a number of leasing / rental arrangements. These are listed on the Lease Register maintained by Finance Team. The Academy is aware that it is only permitted to enter into operating leases and that all forms of financing are prohibited.

(Please also refer to section 3 regarding credit arrangements.)



11.11 Contract Signature

All contracts will be signed on behalf of WCA as follows:

- 11.10.1 Contracts up to £5,000 – the CFO
- 11.10.2 Contracts between £5,001 and £150,000 – the Headteacher and FRAC;
- 11.10.3 Contracts over £150,001– the Headteacher and the Chair of Governors.



Contents

12.

- 12.1 General
- 12.2 VAT returns
- 12.3 VAT accounting



12.1 General

The CFO is responsible for the administration of VAT within the Academy's accounting package. This is processed in accordance with the guidance provided by the ESFA.

12.2 VAT Returns

VAT 126 returns are extracted from the system on a monthly basis and submitted to HMRC for reimbursement. All claims for reimbursement are prepared by the Finance team and reviewed and signed by the CFO.

On an ongoing basis the finance team review the 'standing information' held on the computerised system for each supplier to ensure that the details are correct, e.g. that the VAT number is still appropriate and correct.

12.3 VAT Accounting

The CFO ensures that the Academy has been reimbursed for all VAT due i.e. received payment for all claims submitted through careful monitoring.

The CFO also undertakes regular system reconciliations to ensure that the financial package properly reconciles, i.e. that the outstanding VAT claims match the amount reflected in the VAT control account within the financial package. Any discrepancies are addressed Refer also to section 6 to this manual.

WCA has a restriction on VAT claimable to reflect business and non-business income. The calculation underlying this is reviewed annually.



Contents

13. General Income Controls

- 13.1 Credit Income
- 13.2 Cash Income
- 13.3 Banking
- 13.4 Charging Policy
- 13.5 Donations
- 13.6 Cash received from Pupils
- 13.7 Security of receipt books I
- 13.8 Investment of Funds
- 13.9 Investments



13.1 Credit income

Where payment for goods/services provided by the Academy is made after the provision takes place.

The Finance Team must ensure that an official invoice is raised in all cases and sent to the debtor as soon as possible after the provision of the goods/service, and no later than one week after the provision.

A paper/scanned copy of invoices is stored in the finance office.

Reminders will be sent after the following periods if the debt remains outstanding:-

- 1st reminder 30 days
- 2nd reminder 60 days

If after 90 days the debt remains unpaid, consideration will be given by the Headteacher and/or Governors to writing the debt off in accordance with the following limits:-

- Up to £200:- Head may authorise write off
- Up to £499:- Chairman of Governors may authorise write off
- £500 and over:- full Governing Body may authorise write off

However in each case, the possibility of taking legal action to recover the debt must be considered by Headteacher, Chair of Governors and Governors as appropriate.

As well as sending formal reminders, efforts must be made by the Academy to contact the debtor in order to secure recovery of the debt. If payment has not been received after 30 days of raising the invoice, no further goods or services must be provided until the outstanding debt is settled.

13.2 Cash income

An official receipt must be issued to the payer at the time the payment takes place, and a duplicate copy retained at the Academy.

13.3 Banking

All income received (cash or cheque) must be banked promptly and intact. No payments may be made out of income collected. A record to evidence the banking must be kept (e.g. stamped paying-in slip).



13.4 Charging policy

The full Governing Body will set a charging policy to cover:-

- lettings
- Academy trips

The charging policy will be reviewed annually by the Governing Body. Charges levied by the Academy will be in line with this policy.

13.5 Donations

Donations from any sources must be acknowledged by the issue of an official receipt to the payer. All donations must be banked promptly and intact.

13.6 Cash received from pupils

Cash received from pupils must be recorded by the issue of a till receipt by the Finance staff. On a daily basis the cash collected must be balanced and reconciled by the Finance Office for inclusion in the accounting records. Use of our online payments system is encouraged to reduce cash handing.

13.7 Security of receipt books

All unused receipts and tickets to be used to acknowledge receipt of income, must be held securely in the accounts office.

13.8 Investment of funds

The Academy's budget is paid into Lloyds, one of the major banks. Any surplus is held within the designated bank accounts and accrues interest at the designated rate.

The Academy may deposit funds with Lloyds on short term or fixed term deposit where appropriate, with the express authority of both the Headteacher and the CFO.

13.9 Investments

The Governors may invest to further the trust's charitable aims, but will ensure investment risk is properly managed. When considering an investment the board will:

- act within its powers to invest as described in its articles
- have an investment policy to manage and track its financial exposure, and ensure value for money
- exercise care and skill in investment decisions, taking advice as appropriate from a professional adviser



- ensure exposure to investment products is tightly controlled so security of funds takes precedence over revenue maximisation
- ensure investment decisions are in the trust's best interests
- review the trust's investments and investment policy regularly



Contents

14. Academy Meals

- 14.1 Catering contract
- 14.2 Free Academy meals
- 14.3 Duty meals
- 14.4 Official functions



14.1 Catering

WCA contracts out its catering provision to ABM Services Ltd and the contract is overseen by the CFO.

14.2 Staff Meals

The Catering Manager has a list of the duty staff entitled to free meals. This list is reviewed periodically with the CFO.

14.3 Free Academy Meals

The Catering Manager has a list of the pupils that are entitled to free Academy meals. This list is reviewed periodically with the CFO.

14.4 Other Catering Functions

The Catering Manager will liaise the CFO weekly to discuss all aspects of the Academy's catering, including any hospitality events/functions.



Contents

15. Petty Cash

- 15.1 Floats
- 15.2 Expenditure
- 15.3 Cash Advances
- 15.4 Income
- 15.5 Reconciliation



15.1 Floats

WCA operates a petty cash float, administered by the Finance Team. Maximum float levels are £500

The petty cash boxes are kept securely locked in the safe when not in use. Cash holdings are kept to a minimum and in accordance with the level set by the Governing Body (as stated in the Schedule of Financial Delegation).

15.2 Expenditure

Petty cash is paid for claims up to £20. Amounts over £20 are paid by BACS, authorisation is given by the Finance Team. Both must be supported by a payment request and by receipts. Payments should not be made for transactions with regular suppliers, unless extenuating circumstances prevail.

Requests for payment to a third party or staff reimbursement should be made using the relevant standard proforma.

15.3 Cash Advances

Where a cash advance is provided, there must be a request authorised by CFO and the sum requested must be within their ordering limits. The recipient of the cash must sign when taking the cash and receipts must be given to the accounts department as soon as the purchase is made. If change is returned the petty cash payment slip must be amended to indicate the correct amount taken.

15.4 Income

When the cash in hand falls below a reasonable level the account will be topped up by the Finance Team. Only cash drawn from the Academy account will be used for petty cash purposes. All other cash received will be paid into the appropriate account. Personal cheques will not be cashed from petty cash.

15.5 Reconciliation

The Finance Team ensures that relevant entries are made on the accounting system at least monthly to keep WCA's records up to date. Weekly, and at each top-up, the balance in the petty cash account is reconciled to the physical cash held.

The Finance Team will monitor the turnover on the petty cash facility regularly to ensure that it remains at a reasonable level. The CFO will monitor the turnover on the petty cash facility regularly to ensure that it remains at a reasonable level.



Contents

16. Academy Fund Account (private funds)

16.1 Accounts

16.2 Signatories

16.3 Final accounts and audit



16.1 Accounts

The accounts of the Academy Fund are to be maintained on a day-to-day basis by the Finance team and overseen by the CFO. All income and expenditure will be entered promptly in the accounts. A bank reconciliation will be performed monthly when bank statements are received, between the balance as per the accounting record and the balance as per bank statements.

16.2 Signatories

The following are allowed to sign cheques on the bank account:-

- Headteacher
- 2 x Deputy Head teachers

There must be two signatures on each cheque.

16.3 Final accounts and audit

Final accounts are prepared at the end of the Academy Fund financial year by the Finance Team. The accounts will be audited by the Academy's auditors appointed by the full Governing Body.

The audited accounts form part of the Academy's main financial statements, being part of restricted funds.



Contents

17. Academy Assets

- 17.1 Inventory record
- 17.2 Security of assets
- 17.3 Removal of assets
- 17.4 Inventory checks
- 17.5 Items removed from Academy



17.1 Inventory Record

The Governing Body of WCA is responsible for the safe custody of stocks, stores, cash and valuables at the Academy and in transit. Private property held by the Academy on behalf of individuals is safeguarded.

All items purchased with a value over WCA's capitalisation limit of £1000 are entered in an asset register. The asset register includes the following information:

- asset description
- asset number
- serial number
- date of acquisition
- asset cost
- source of funding (% of original cost funded from DfE grant and % funded from other sources)
- expected useful economic life
- depreciation
- current book value
- location
- name of member of staff responsible for the asset.

The Asset Register is maintained within the accounting system and helps:

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

Depreciation rates are agreed by the FRAC from time to time.

17.2 Security of assets

Stores and equipment are secured by means of physical and other security devices. Only authorised staff may access the stores.

All the items in the register are permanently and visibly marked as WCA's property and there are regular (at least annual) counts by the premises team. Discrepancies between the physical count and the amount recorded in the register are investigated promptly and, where significant, reported to the governing body. Inventories of academy property are kept up to date and reviewed regularly. Where items are used by WCA but do not belong to it this should be noted.



17.3 Removal of assets

Assets may only be disposed of with the prior approval of the Headteacher, up to the value of £500 or the FRAC for items in excess of this amount. All disposals are reported back to this Committee at their next meeting. The reason and method of disposal is recorded in the inventory (the entry should not be completely removed from the record at the time that the item is actually disposed of).

Items of significant value which are to be disposed of by sale or destruction are authorised for disposal by the Headteacher and, where significant, are sold following competitive tender. The Academy must seek the approval of the DfE in writing if it proposes to dispose of an asset for which capital grant in excess of £20,000 was paid.

Disposal of equipment to staff is not encouraged, as it may be more difficult to evidence that the Academy obtained value for money in any sale or scrapping of equipment. In addition, there are complications with the disposal of computer equipment, as WCA would need to ensure licences for software programmes have been legally transferred to a new owner.

WCA is expected to reinvest the proceeds from all asset sales for which capital grant was paid in other Academy assets. If the sale proceeds are not reinvested then the Academy must repay to the DfE a proportion of the sale proceeds.

All disposals of land must be agreed in advance with the Secretary of State.

17.4 Inventory Checks

On an annual basis the confirmation of the existence, condition and location of a random sample of listed assets is carried out by the Academy's appointed auditors.

Any discrepancies are noted and brought to the attention of the Finance Team. All discrepancies are investigated and, where the value exceeds £1000 the FRAC is notified.

A separate record is maintained that reflects the date that the check was undertaken and the signature of the person undertaking it. This record is retained securely in the finance office safe.

17.5 Items Removed from Academy

All equipment taken off site must be initially agreed with the CFO and formally recorded in the loans record that is retained within the main office, e.g. computers, cameras, mobile phones, etc. Individuals should sign to acknowledge personal responsibility for items in the possession and must not hand them on to other staff without first obtaining permission to do so and formally recording the transfer. The new 'custodian' must sign to accept responsibility. Items should be logged back in once they are no longer required. For the mobile phone and cameras, separate log sheets are held within the main record.



Where assets are removed from the premises, the insurance of the asset must be maintained, and if necessary the members of staff borrowing the item should arrange independent cover. The insurance must cover the transporting of the asset to and from home, as well as the time in their home.

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 are therefore kept under review and any potential benefits discussed with WCA's auditors



Contents

18. **Data Security**

- 18.1 Back up Procedure
- 18.2 Emergency Recovery Procedure
- 18.3 Working from home procedures



18.1 Back up Procedure

All databases are to be backed up as follows:

- Every day a full backup of databases takes place every hour, both onsite backup and off site backup.
- All current and archived paper-based data to be held in either the locked and alarmed Finance Office or the secure archives room.

18.2 Emergency Recovery Procedure

The Network Manager and IT team will manage the emergency data recovery process in the event of a loss of data at the Academy.

18.3 Working from home

Finance staff that work from home must take the usual data protection precautions in safeguarding confidential documents and data. The IT department assist with ensuring remote access working remains secure and confidential.



Contents

19. Insurance

19.1 Insurance cover

19.2 Policies held

19.3 Employees use of own vehicles on Academy business

19.4 Changes to risk exposure and insurance cover requirements

19.5 Claims



19.1 Insurance Cover

WCA is aware that it has responsibility for ensuring suitable cover for a number of standard insurance policies (material damage, public liability, employers' liability, officials' indemnity, libel and slander, personal accident, fidelity guarantee, money and motor contingent liability). This is reviewed annually by governors to ensure that adequate cover is held.

In addition to the above, the Academy acknowledges that it has responsibility for a number of optional extensions (balance of risks building and contents, motor, third party hirers, parent teacher associates, Academy journeys, sickness supply cover and personal accident – pupils)

In deciding which insurance scheme to use, the governors consider the following information:

- the standard and rating of the company
- the overall cost
- excesses due in the event of a claim
- the support available, if required

19.2 Policies Held

In addition to the policies recommended by the ESFA, WCA has also taken out optional extensions for motor (to cover the Academy's minibus & staff using their own car for Academy business), third party hirers (for lettings), and Academy journeys. A full list of the policies held is retained in the finance office. No governors or members of staff of WCA will give any indemnity to a third party without the written consent of the insurer.

19.3 Employees Use of Own Vehicles on Academy Business

All members of staff using their own car for Academy business must liaise with the Education Visits Coordinator or the CFO regarding the current regulations.

19.4 Changes to Risk Exposure and Insurance Cover Requirements

The Finance Team will notify the insurers of all new risks, property, equipment and vehicles, which require insurance or alterations affecting existing insurance cover as appropriate.

19.5 Claims

The Finance Team will immediately inform the insurers of all accidents, losses and other incidents, which may give rise to an insurance claim.

Claims under the insurance policy are authorised by the Finance Team prior to its submission to the insurance company.

Appendices:

Powers & Functions Delegated

Remit and Responsibilities of the Finance Risk & Audit Committee

The powers and functions delegated by the Board to the Finance Risk & Audit Committee are as set out below.

External Audit

- 1 To consider the appointment of the external auditor and assess independence of the external auditor, ensuring that key audit personnel are rotated at appropriate intervals.
- 2 To recommend the audit fees to the Board and pre-approve any fees in excess of £10,000 in respect of non-audit services provided by the external auditor and to ensure that the provision of non-audit services does not impair the external auditors' independence or objectivity.
- 3 To oversee the process for selecting the external auditor and make appropriate recommendations through the Board to the members of the Trust to consider at any general meeting where the accounts are laid before members.
- 4 To discuss with the external auditor the nature and scope of each forthcoming audit and to ensure that the external auditor receives the fullest co-operation.
- 5 To review the external auditor's annual management letter and all other reports and recommendations, together with the appropriateness of management's response.
- 6 To review the performance of the external auditor on an annual basis.
- 7 To recommend to the Board the appointment/re-appointment of the external auditor.
- 8 To review and consider the circumstances surrounding any resignation or dismissal of the external auditor.

Internal Audit

- 9 To set and review the internal audit programme and ensure that the internal audit function is adequately resourced and has appropriate standing within the Trust.
- 10 To review the reports and recommendations of the internal audit, together with the appropriateness of management's response.
- 11 To monitor the implementation of action agreed by management in response to reports from the external auditor internal audits.

Financial Management & Policies

- 12 To keep under review the Trust's financial management and reporting arrangements, providing constructive challenge (where necessary) to the actions and judgements of management in relation to the interim management and financial accounts, statements and reports and the annual accounts and financial statements, prior to submission to the Board, paying particular attention to:
 - critical accounting policies and practices, and any changes in them
 - decisions requiring a major element of judgement
 - the extent to which the financial statements are affected by any unusual or complex transactions in the year and how they are disclosed
 - the clarity and transparency of disclosures
 - significant adjustments resulting from the audit
 - the going concern assumption
 - compliance with accounting standards
 - compliance with DfE and legal requirements.
- 13 To review the Trust's policy and procedures for handling allegations from whistleblowers.
- 14 To review the Trust's policies and procedures for handling allegations of fraud, bribery and corruption.
- 15 To receive reports on the outcome of investigations of suspected or alleged impropriety.
- 16 To review the adequacy of policies for ensuring compliance with relevant regulatory, legal and code of conduct requirements.
- 17 To ensure that any significant losses are investigated and reported to the DfE/ESFA where required.
- 18 To review the Trust's risk management policy, strategy, processes and procedures for the identification, assessment, evaluation, management and reporting of risks.
- 19 To review the adequacy and robustness of risk registers.
- 20 To keep under review the adequacy and effectiveness of the Trust's governance, risk management and internal control arrangements, as well as its arrangements for securing value for money, through reports and assurances received from management, internal audit, the external auditor and any other relevant independent assurances or reports (eg from the National Audit Office).
- 21 To review all risk and control related disclosure statements, in particular the Trust's annual "Statement on Internal Control", together with any associated reports and opinions from management, the external auditor and Responsible Officer, prior to endorsement by the Trust Board.

- 22 To review any recommendations made by the Secretary of State for Education for improving the financial management of the Academies.

General

- 23 To review or investigate any other matters referred to the Audit & Risk Committee by the Board.
- 24 To draw any significant recommendations and matters of concern to the attention of the Board.

Appendix 1

WCA Scheme of Delegation for Academic year ending – 31 August 2021

| Delegated Duty | Value | Delegated Authority | Method |
|--|---|---|---|
| Ordering Goods and Services (raising requisitions)/Invoices With No Order/Income contracts | Up to £250 | Budget Holder | Finance Officer to ensure best value demonstrated. Selection from preferred supplier lists and procurement website |
| | £251 to £5,000 | As above plus Finance Manager | Three formal written quotes needed above £1,000. Excludes costs negotiated under separate contract (e.g. SMBC SLAs, energy, catering costs), supply costs, exam fees and some specialist providers or suppliers who are benchmarked every 3 years |
| | £5,001 to £60,000 | As above plus Headteacher | |
| | Over £60,000 | Finance, Risk & audit Committee then Governing Body | Formal tendering process, including advertising in OJEU (if over the OJEU threshold of £173,000) |
| Authority to accept other than best value quotation or tender | Up to £20,000 £20,001 - £60,000 £60,000 | Headteacher and Finance Manager Finance Risk & Audit Committee Governing Body | |
| Signatories for cheques, BACS payment authorisations and other bank transfers | Any | Two signatories from: - Headteacher - Deputy Head teachers | Cheques over £20,000 must be signed by the Headteacher. BACS payments authorised by Finance Team. |
| Signatories for ESFA grant claims and ESFA returns | Any | Two signatories (or as required by ESFA) from: - Headteacher - Deputy Headteacher - Nominated Governor | |
| Virement of budget provision between budget heads | Up to £10,000 | Finance Manager, with reporting to the FRA Committee and signed off | |
| | £10,001 to £30,000 | As above plus Headteacher, with | |

| | | | |
|---|-------------------|--|---|
| | | reporting to the FRA Committee and signed off | |
| | Over £30,000 | Governing Body | |
| Disposal of assets | In all cases | FRA Committee | This includes those assets sold, lost, damaged or written off |
| | £5,001 to £20,000 | As above plus Governing Body | |
| | Over £20,000 | As above, plus ESFA approval required for disposal of assets funded with more than £20,000 of ESFA grant, or transferred from an LA at nominal consideration | |
| Write-off of bad debts | Up to £1,000 | Governing Body | |
| | Over £1,000 | As above plus ESFA approval | |
| Purchase or sale of any freehold property | Any | ESFA approval required | |
| Granting or take up of any lease or tenancy agreement exceeding three years | Any | ESFA approval required | |
| Raising invoices to collect income | Up to £5,000 | Finance Officer | |
| | £5,001 to £60,000 | As above plus Finance Manager & Headteacher | |
| | Over £60,000 | FRA Committee and Governing Body | |
| Agreement to salary changes for contracted staff | Any | Headteacher to approve | Includes pay rises, TLR, thresholds |
| Temporary staff hours and casual timesheets | Any | Finance Manager & HR Manager | Invigilators, expenses through payroll, additional hours |

Academies Financial Handbook 2020:

https://assets.publishing.service.gov.uk/media/5f4754ac8fa8f5362e74ba76/Academies_Financial_Handbook_2020.pdf