

The Shropshire Gateway Educational Trust

Finance Policy including, Anti-Bribery, Anti-fraud and Gifts and Hospitality policies

Lead Officer	Gill Bradley
Approved by Board of Governors	October 2023
Review Cycle	Annual
Next Review Date	September 2024



Definitions

Reference to the Chair of Finance, Board of Directors throughout this manual should be read to mean the Chair of Finance or Sub Committee or other person(s) with appropriate status/authority to whom the Chair of Finance may from time-to-time delegate authority.

Reference to the Finance Team throughout this policy should be read to mean any person employed by, or providing professional service to, the Trust (e.g., accountants) who have been authorised to access the accounting system by the Executive Headteacher, or Trust Head of Finance, Business and Operational Organisation

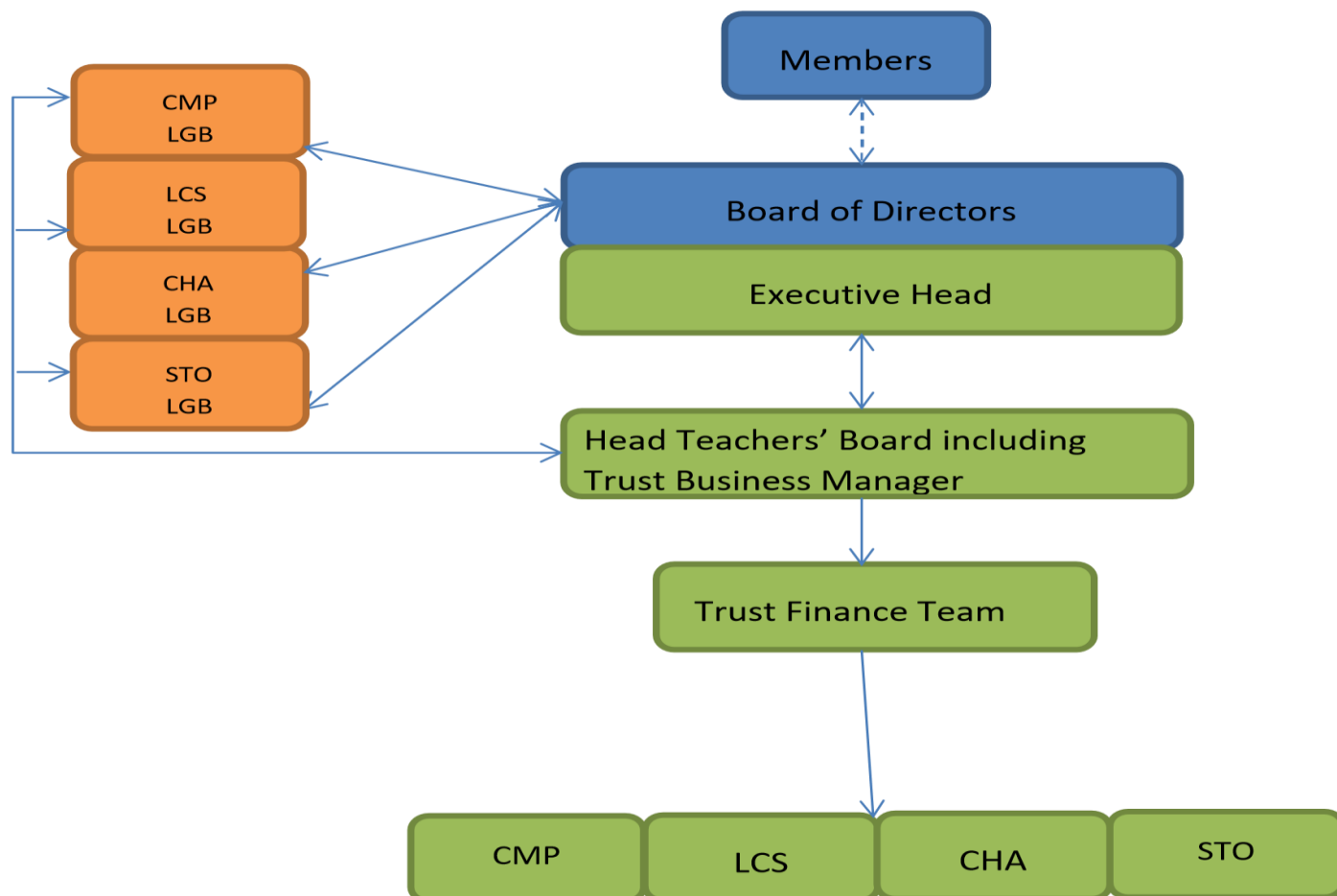
1. Purpose and scope

- The purpose of this policy and associated procedures is to ensure that the Shropshire Gateway Educational Trust (SGET) “The Trust” maintains systems of financial control which conform to the requirements of propriety and of good financial management.
- Academy Trusts are companies limited by guarantee and, under the terms of the Academies Act 2010, exempt charities.
- The Trust must comply with the principles of financial control outlined in the **Academy Trust Handbook** published by the Education Funding Agency (ESFA) and the requirements of the Master Funding Agreement (FA) between the Secretary of State of the Department of Education (DfE) and SGET.
- The Academy Trust handbook 2023 provides an overarching framework for implementation of effective financial management and other controls, consistent with your obligations as publicly funded bodies.
- The Trust will manage its resources to ensure best value and promotion of public accountability.
- This policy applies to all SGET Academies, and adherence to its principles and procedures is mandatory for all Directors, Governors and staff. Failure to comply with the policies set out in this manual may result in disciplinary action.

2. Organisation

- The Trust has defined the responsibilities of each function and person involved in the financial administration of the Trust to provide a framework of accountability in accordance with the scheme of delegation.

3. Organisational Structure



4. The Members

- are the subscribers to the memorandum of association (where they are founding members) and may amend the articles of association, appoint new members or remove existing members
- they may, by special resolution, issue direction to the trustees to take a specific action
- appoint the trust's external auditors and receive (but do not sign) the audited annual report and accounts (subject to the Companies Act)

5. The Board of Directors

- The Board of Directors has wide responsibilities defined under statute, regulations and the ESFA. These are set out in the role of the Trust and its governance arrangements:
- ensuring clarity of vision, ethos and strategic direction

- holding executive leaders to account for the educational performance of the organisation and its pupils, and the performance management of staff
- overseeing and ensuring effective financial performance.

This includes:

- Agreeing the long-term financial objectives of the Trust.
- Ensuring that Grants from the ESFA / DFE are used only for the purposes intended.
- Delegating each Academies budget to the Local Governing Body (LGB).
- Delegating day-to-day financial management of the trust to the Executive Head and Trust Head of Finance, Business and Operational Organisation.
- Approval of the annual budgets and any material changes.
- Receiving periodic financial reports.
- Making decisions on actual financial requests from LGBs and committees.
- Appointment of auditors.
- Appointment of internal auditors.
- Reviewing the auditors termly and annual reports.
- Authorising contracts according to approved limits.
- Approval of the annual accounts.
- Appointment of the Chief Executive Officer /Executive Headteacher, Headteachers/ Principals and the Trust Head of Finance, Business and Operational Organisation.
- Annually agreeing the membership of the Local Governing Bodies and Audit committee including the chair.
- Reviewing annually the Finance Policy and Scheme of Delegation.
- Approval of any companies, subsidiaries or joint ventures.
- Approval of any processes resulting in staff redundancy.

The trustees **must** apply the highest standards of conduct and ensure robust governance, as these are critical for effective financial management and accountability that drives up educational standards and financial performance.

6. The Local Governing Bodies to include local finance committees

Overall management of each Academies budget is delegated to the Local Governing Body (LGB). The Finance Committees will meet at least termly. Additional meetings will be held as and when required. The responsibilities include:

- Recommend to the Trust to approve the annual budget plan.
- Ensure the register of interest is kept up to date.
- Receive and comment on the finance and audit reports.
- Keeping under review the actual financial performance compared with the annual budget plan and the remedial actions taken.
- Reviewing the insurance schemes.

7. Director Risk and Audit Committee

The Risk and Audit Committee will meet separately and be minuted in full. It will report to the Finance committee and the main Board. It will review audit requirements at least three times per year. As part of the Directors remit, it ensures that internal scrutiny is achieved which delivers objective and independent assurance. This means that:

- staff employed by the trust will not be members of the committee but may be required to attend to provide information and participate in discussions.
- The accounting officer and other relevant senior staff will routinely attend the committee in the capacity set out directly above.
- The committee's work will focus on providing assurances that risks are being adequately identified and managed by reviewing the risks to internal financial control at the trust and agreeing a programme of work to address, and provide assurance on, those risks.
- The Committee will oversee a regular programme of reviews (Internal Audit) to ensure that financial transactions have been properly processed and that controls are operating as laid down by the Trust.
- A report of the findings from each visit will be presented to the SGET Board and Local Finance Committees.

8. The Executive Head

The Executive Head is the Accounting Officer with responsibility for the propriety and regularity of the public finances for which they are answerable. The responsibilities are outlined in the Academies Financial Handbook and include:

- The initial review and authorisation of the budget.
- The regular monitoring of actual expenditure and income against budget.
- Ensuring annual accounts are produced in accordance with the requirements of the Companies Act 1985.
- Ensuring that the regular reports to the Board are full and accurate.
- Authorising orders, payments and awards of contracts within approval limits.
- Authorising changes to the Academies' personnel establishment.

9. The Academy Headteachers

The Headteachers have responsibility for.

- Approving new staff appointments within the authorised establishment, senior posts must be approved as per the scheme of delegation.
- Agreeing the delegated budget and authorisation responsibility within the Academy.
- Monitoring the regular budget reports and acting on overspends or risk.

10. The Trust Head of Finance, Business and Organisational Operations

The Trust Head of Finance, Business and Organisational Operations works in close collaboration with the Executive Head. The main responsibilities of this role are:

- The management of the Academy financial position at a strategic and operational level.
- The maintenance of effective systems of financial control.
- Submitting grant applications, reports and returns to the ESFA/DFE, the Teacher's Pension Agency and HMRC.
- Ensuring that annual accounts are properly presented and adequately supported.
- Overseeing the preparation of monthly management accounts.
- Virement decisions within agreed budgets.
 - Authorising orders, payments and the award of contracts within agreed limits.

11. The Finance Team

The Finance Team works in close collaboration with the Trust Head of Finance, Business and Organizational Operations. The main responsibilities of the Finance Team are:

- The day-to-day management of financial issues.
- Authorising requisitions and payments within agreed limits.
- Reconciliation of all bank accounts:
- Preparation of the monthly VAT return.

12. Academy Staff

- Budget holders have specific financial responsibilities.
- All staff are responsible for the security of Academy property, for avoiding loss or damage, for ensuring economy and efficiency in the use of resources and for conforming to the requirements of the Trust's financial procedures.

13. Conflict of Interest

- It is important for anyone involved in spending public money to demonstrate that they do not benefit personally from the decisions they make. To avoid any misunderstanding that might arise all Directors, Governors and staff with significant financial or spending powers are required to declare any financial interests they have in companies or individuals from whom the Trust may purchase goods or services. The register is open to public inspection.
- Any member of staff in receipt of gifts or hospitality over a value of £30.00 must declare this to the Finance Office for inclusion on the Gifts and Hospitality Register.

14. SGET Policy on Declaring Business Interests

It is important that the Trust, Governors and staff not only act impartially, but are also seen to act impartially. The Trust, LGBs, Committees and Academy staff have a responsibility to avoid any conflict between their business and personal interests and affairs and those of the trust and schools. There

is a legal duty on all Trustees to declare an interest likely to lead to questions of bias when considering any item of business at a meeting and for the governor concerned to withdraw, if necessary, whilst the matter is considered.

- To help put this duty into practice, the Trust and Governing Body is required to establish and maintain a register indicating individuals' business/pecuniary interests. This should include, if appropriate, the company by whom they are employed, directorships, significant shareholdings or other appointments of influence within a business or other organisation which may have dealings with the Academy.
- The register includes an entry for all of the Trust, Governors, Associate Members, the Executive Head, Headteachers, Trust Head of Finance, Business and Operational Organisation and the Governance Professional to the Governing Body.

Individuals should include their own interest and those of any member of their immediate family (including partners) or other individuals known to them who may exert influence.

The register of business interest declaration must be signed and dated by the individual and a register is published on our websites.

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The forms must be renewed annually.

15. Opportunity to declare interests at meetings

- There is a standing agenda item at every meeting (including committee meetings) called "Declaration of Pecuniary Interest, financial interest, loyalty" to allow the Trust and Governors the opportunity to declare ANY interests relating to items on the agenda.

16. Income

- All Academies within the SGET are funded on the same basis as maintained schools and receive annual funding allocations from the Education Funding Authority (ESFA).
- All schools and academies receive most of their funding based on the total number of students. Student numbers are derived annually from the school census, as stipulated in the funding agreement.

- Academies are funded through the ESFA. They receive the same amount of money as the Local Authority (LA) schools in the area. This is calculated using a LA formula. The LA agrees the funding formula factors and rates in consultation with the schools Forum. These factors are combined with others based on the institution, such as a lump sum for premises costs. This is the main budget and is received as the general annual grant (GAG).

- The ESFA provides funding for Academies from September to August, in line with the academic year.

Capital, pupil premium allocations and specific grants allocated from time to time are paid outside the GAG but directly from the ESFA.

- As part of the reconciliation procedures, the Finance Team will ensure that the monthly budget allocations to the Bank Account are made on time by the ESFA, and all other relevant agencies.
- The Trust Head of Finance, Business and Operational Organisation is responsible for ensuring that all other allocations of money due to the Trust are made on time by the ESFA and all other relevant agencies.

The Academies also receive additional income from:

- **Students:** mainly to cover the cost of school meals, transport, nursery and wrap around childcare and educational visits etc.
- **Parents and Carers:** Educational opportunities provided at SGET Academies, during school hours, are available to students regardless of ability to pay and are charged for in a fair and transparent way. Schools may ask for a voluntary contribution.
- **The Parent Teacher Association:** raises extra funds for the Academy and is used to purchase special items.
- **Lettings:** Academies will make their facilities available to outside users at a charge of at least the cost of providing the facilities. Letting and hire of the school facilities is conducted in line with the SGET Letting Policy which includes a scale of charges.

17. Cash and Cheque Management

Cash and cheque collection should be kept to a minimum, the following procedures apply when it is unavoidable:

- All income received should be recorded immediately at school level and a receipted.

- All monies received must be banked intact as soon as is practicable.
- All funds banked must be entered on the bank paying-in slip and recorded in SAGE.
- For normal day-to-day transactions, the Finance Team will be responsible for receiving income and banking of income.
- The Trust Head of Finance, Business and Operational Organisation shall periodically check that all the monies due to the schools have been collected and banked.

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

18. Financial Planning and Review

- The Trust is required to submit a consolidated budget plan annually to the ESFA by the deadline date announced annually, (31st August 2023). In order to achieve this deadline, budget setting will be undertaken in each individual academy to allow sufficient time for the consolidated plan to be approved by Directors in early July. Each individual budget plan will feed into the consolidated Trust budget plan for the forthcoming year.
- The plans will be prepared having regard to all known income and expenditure needs of the Trust, in line with the School Improvement Plans and the Asset Management Plan.
- The Trust Head of Finance, Business and Operational Organisation is responsible for working with the Executive Head and the Headteachers to draft these.
- The budget planning process will be a strategic three-year rolling plan and will consider what resources are required to deliver education within each establishment. The process will ensure that any reduction or increase in allocation of funds is transparent and is supported by clear rationale. Changes will be subject review and agreement at the Heads' Board.
- Where appropriate, this will include budget allocation for specified budget holders by curriculum subjects or departments, referred to as capitation. Subject capitation budget is based on pupil numbers and pupil hours allocated against subject options relevant to the academic year.
- The Trust Head of Finance, Business and Operational Organisation is responsible for establishing a schedule which allows sufficient time for the approval process (LGBs and Board of Directors) to ensure that the submission date to the ESFA for the resulting annual budgets is met.

- The ESFA Financial calendar details all the submission dates required.
- The annual budgets will reflect the best estimate of resources available to the Trust and Academies for the forthcoming year and will detail how these resources will be utilised. A balanced budget must be set unless there are clear short-term reasons approved by the Board.
- The budget must be communicated to all staff with responsibility for budget areas (budget holders) so that everyone is aware of the available resources.
- Expenditure on the revenue account may be incurred up to the amounts approved for each budget set and approved in line with budget forecast.

No expenditure may be incurred which cannot be met from the amount provided in the appropriate budget heading unless a budget variation has been approved by the Executive Headteacher, Headteacher or Trust Head of Finance, Business and Operational Organisation dependant on amounts.

- The Executive Headteacher may incur expenditure on behalf of the Academy Trust which is necessary to carry out any repair replacement or other work which is such an extreme urgency that it must be done at once, whether or not there is any budgetary provision for the expenditure, subject to a limit of £5,000. The Executive Headteacher and Trust Head of Finance, Business and Operational Organisation will report the action to the relevant Finance Committee and Board of Directors as soon as practicable thereafter. In such cases, a risk assessment will be undertaken to support the need for such action.
- The board of Directors must notify ESFA within 14 days if it is formally proposing to set a deficit consolidated revenue budget for the current financial year, which it is unable to address after reserve funds from previous years are taken into account.
- Monthly reports will be prepared by the Finance Team. The reports will detail actual income and expenditure against budget both for budget holders and at a summary level for the Executive Head, Headteachers, Governors and Directors.
- The monitoring process should be effective and timely in highlighting variances so that differences can be investigated, and action taken.

19. Accounting systems

- All the financial transactions of the academy must be recorded on the SAGE accounting system. The SAGE system is operated by the Finance Team.

- Access to the system is restricted, as authorised by the Executive Headteacher, Headteachers or Trust Head of Finance, Business and Operational Organisation.

20. SAGE Administration

- The SAGE Software allows users to be set up with appropriate access levels.

a. Transaction Processing

- All transactions must be authorised in accordance with this policy.

b. Transaction Reports

The Trust Head of Finance, Business and Operational Organisation will obtain and review system reports to ensure that transactions are posted to the accounting system correctly. The reports obtained and reviewed will include:

- Periodic audit trail reports.
- Amendment reports for the purchase ledger, sales ledger and nominal ledger.
- Management accounts summarising expenditure and income against budget at budget holder level.

21. Reconciliations

The Finance Team is responsible for ensuring the following reconciliations are performed each month, and that any reconciling or balancing amounts are cleared:

- Sales ledger control account
- Purchase ledger control account
- Payroll control account
- Petty cash control account
- Charge card accounts
- VAT control account

A complete audit trail is maintained on the SAGE accounting which is routinely reviewed by the Trust Head of Finance, Business and Operational Organisation.

22. Best Value Statement

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

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

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

- All services are of a high quality that provide good value for money, meet the needs of their users and contribute positively to the general ethos of the school.
- Resources are deployed to secure the continuous improvement in the means through which the Academies' functions are exercised.
- All expenditure is relevant to the School Improvement Plan and is regularly reviewed.
- Due consideration has been given to Post OFSTED Inspection Plans (if applicable) in compiling the school budget.
- All premises/supplies and services' contracts agreed by the Academies are reviewed periodically and are the most effective, economic and efficient.
- The Trust aims to ensure that it is a well-managed organisation that supports and values the contribution made by its workforce.
- Appropriate authorisation limits are reviewed annually and approved by the Trust.

23. Procurement

SGET relies on public funding to carry out their work and meet their objectives. As such the organisation must understand and follow basic procurement rules whenever they spend that money. These rules aim to ensure that taxpayers' money is used in ways that are demonstrably open, fair, and good value. The key elements of good procurement are:

- Planning - taking the time up-front to get the information needed to make a good, informed decision.
- Information – knowing and understanding the basics – such as the legal requirements that must be followed for any high-value spending.
- Common sense - good judgment: for example, allocating more time to one-off high-value purchases, recognising when further help and advice is necessary, or having the confidence and experience to

make the decisions. Procurement can range from the everyday, low-value purchases such as classroom supplies and cleaning products, right up to the highest-value, one-off purchases – a major refurbishment project, or letting a three-year contract for catering services. It will not be possible to subject every procurement process to the same level of scrutiny. The more public money being spent, the tighter the controls you need to apply.

SGET is committed to exploring all economies of scale that can be achieved through the development of shared services and shared contracts across its schools.

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 and Find a Tender service are observed.
- professional advice is obtained where appropriate.

The Trust will use where appropriate the DfE deals for schools which can make buying simpler and quicker and can provide better value for money.

24. Routine Purchasing of £5,000 or less

- Budget holders will be informed of the annual budget available to them prior to the start of the academic year. It is the responsibility of budget holders to manage their budgets, to ensure that the lowest cost price is achieved that funds available are not overspent. Details of actual expenditure against budget will be available via SAGE, along with details of orders placed and not yet invoiced.
- Quotes must be obtained before any order is placed. The budget holder and Finance Team should ensure that the lowest cost price is achieved, while bearing in mind the quality of the product or service.
- A common-sense approach should be taken to the level of detail and/or number of quotes required.

Purchasing a box of pens costing £2 as an example will require less scrutiny than new computers at £4000.

- All procurement decisions will subsequently be subject to the formal ordering procedure set out in paragraph 30 of this policy. This provides a separation of duties and ensures that at least two people are involved throughout the process.

25. Orders for single items over £5,000 and up to £25,000

- At least 3 written quotations should be obtained for all orders over £5,000 and up to £25,000 unless there is a service level agreement in place which includes procurement. Written details of quotations obtained should be prepared by budget holders and attached to orders passed to the Trust's Trust Head of Finance, Business and Operational Organisation. Telephone quotes are acceptable as long as they are subsequently confirmed in writing.
- In exceptional circumstances, for orders up to the value £11,000, the need for 3 quotations may be waived by the Executive Headteacher. In such circumstances the Executive Headteacher must be satisfied that value for money has been achieved.
- All procurement decisions will subsequently be subject to the formal ordering procedure set out in paragraph 30 of this policy. This provides a separation of duties and ensures that at least two people are involved throughout the process.

26. Orders over £25,000

- All goods/services over £25,000 will be subject to formal tendering procedures. The Trust will comply with appropriate procurement rules where the value of supply exceeds the stated threshold.
- All procurement decisions will subsequently be subject to the formal ordering procedure set out in paragraph 30 of this policy. This provides a separation of duties and ensures that at least two people are involved throughout the process.

27. Contracts

- Every contract entered into on behalf of the Trust and/or Academy shall comply with the following procedures and no exception from any of the following provisions shall be made otherwise than by direction of the Board of Directors or, in emergency, by the Chair of the Board of Directors.

Where it is intended to enter into a contract:

- exceeding £11,000 in total the Academy shall invite formal quotations from at least three firms and
- for contracts of £11,000 or less in value the Executive Headteacher shall have executive power.

- All contract awards will subsequently be subject to the formal ordering procedure set out in paragraph 30 of this policy. This provides a separation of duties and ensures that at least two people are involved throughout the process.

Any variation to a contract or addition to or omission from a contract must be approved by the Executive Headteacher/Headteacher in writing, with the Finance Committee and the Board of Governors being informed where the final cost is likely to exceed the financial provision.

28. Tender procedures

Where tenders are required, the following procedures must be followed:

- The budget holder in conjunction with the Trust Head of Finance, Business and Operational Organisation will prepare a specification, which will be authorised by the Headteacher. The invitations to tender should include:
 - 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; and
 - the form and date of response to the Trust.
- The use of brand names will be avoided and, where appropriate, a European or British Standard or other quality guideline sought. Where relevant, reference will be made to appropriate safety standards and health & safety regulations.
- All replies should be addressed to the Trust Head of Finance, Business and Operational Organisation in a plain sealed envelope marked 'Tender'.
- No supplier is allowed to amend their tender after the fixed date for receipt.

All tenders are to be opened at the same time by staff authorised to do so. Two persons should be present for the opening of tenders as follows:

- for contracts up to £25,000 – a budget holder, the Headteacher or Trust Head of Finance, Business and Operational Organisation.
- for contracts between £25,001 – £100,000 the Headteacher or Trust Head of Finance, Business and Operational Organisation and an Executive Headteacher
- for contracts over £100,000 the Headteacher or Trust Head of Finance, Business and Operational Organisation, Executive Headteacher and member of the relevant Finance Committee.

- where a tender exercise is required for goods and/or services that covers more than one academy a representative from each academy will be involved in the developing and awarding that tender.
- In addition to the above, all tender awards will subsequently be subject to the formal ordering procedure set out in paragraph 30 of this policy. This provides a separation of duties and ensures that at least two people are involved throughout the process.

The following information should be 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; and
- any omissions in the submission, e.g., documents, signatures or missing data.

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

- Where contracts under seal provide for payments to be made in instalments, the Trust Head of Finance, Business and Operational Organisation will ensure that a contract register is maintained showing the state of the account on each contract together with related professional fees and other payments.
- The decision as to which tender to accept will be made by the LGB Finance Committee, Local Governing Body or Board of Directors.
- The reasons for accepting a particular tender are to be based upon ensuring best value and therefore the cheapest tender will not necessarily be selected. The following points should be considered when deciding which tender to accept:

29. Suppliers

- qualifications, technical ability and experience.
- DBS status (where required)
- pre-sales demonstrations.
- after sales service.
- quality procedures.
- references from existing customers.
- financial status; and
- professional indemnity insurance.

Cost

- overall price.
- unit price for parts of the product or service.
- the possibility of 'hidden costs'; and
- scope for negotiation.

Where appropriate, adequate checks are to be made that the contractors employed for buildings work – maintenance and repairs etc. – have Public Liability Insurance Cover, minimum value £5,000,000. It is the responsibility of the Trust Head of Finance, Business and Operational Organisation to ensure that this is complied with.

30. Ordering

- The requisitions are entered by the Finance Team. However, it is the declared aim of the Trust to move toward a fully electronic procurement system.
- The list of authorised suppliers is controlled by the Finance Team and new suppliers are added on the approval of the Trust Finance lead.
- There has to be two signatures to each cheques/Bac's authorisation.
- A nominated signatory may not sign a cheque/authorise a BACs payment made payable to themselves.

Nominated signatories to the Trust bank account are:

Executive Headteacher

Trust Head of Finance, Business and Operational Organisation

Assistant Business Manager -finance lead

31. BACs and automated bank payments

- All BACs payments run will be generated from the Sage financial System.
- The Trust Head of finance Business and Operational Organisation will authorise these runs prior to upload to the bank system.
- Segregation of duties occurs with the Bacs authoriser being separate to the bank authoriser.

- Faster payments need to be authorised by both the Trust head of Finance, Business and Operational Organisation and Finance lead using commercial banking security protocols which include secure sign in, pin and card reader entry for both authorisers.

32. Cheque payments

- Blank cheques must not be signed under any circumstances.
- All cheque book expenditure will be recorded on the Sage Financial system and noted with the relevant cheque number.
- All stubs should be completed at the time of payment.
- Cheques are to be signed only with documentary evidence of the nature of the payment.
- The Finance Team must ensure that all prime records are retained for six financial years plus current year and stored electronically in a logical manner.
- Copy invoices are not to be paid until exhaustive checks have been made to confirm that payment has not previously been made. References back to the original order are to be made in every case.
Confirmation that such checks have been made is to be by endorsing the invoice “invoice not previously passed for payment” and signing.
- Under no circumstances are payments to be paid against statements to suppliers.

33. Bank Accounts

- The Trust has one central main bank account for all of its schools. The account is held with Lloyds Bank.

Name	Account Name:	Account No	Sort Code
SGET	The Shropshire Gateway Educational Trust	15371568	30-67-88

- The central account is linked to the financial management system and all income and expenditure for each of the respective schools is paid into and from this account.
- The opening of new accounts must be authorised by the Board of Directors who must set out, in a formal memorandum, the arrangements covering the operation of accounts, including any transfers between accounts and cheque signing arrangements.

Cheques and other instruments authorising withdrawal from academy bank accounts must bear the signatures of authorised signatories.

- The Trust's accounts must never become overdrawn.
- Where the cash flow position is such that the bank account might become overdrawn, the Executive Head has the authority to request from the ESFA an early advance of the monthly budget allocation. Confirmation that such a request has been made must be notified to the Trust Head of Finance, Business and Operational Organisation and Chair of the Finance Committee at the next meeting, together with an explanation as to the reasons why and the additional cost to the Trust in terms of interest charged.
- The Trust will maximise income as far as possible and, where appropriate, a high interest or deposit account will be maintained, in addition to the normal current account.
- Direct Debits will only be made with the authorisation of any two signatories from the Trust's mandate.
- For any Direct Debit authorisation over £5,000, one of the signatories must be the Executive Head.

34. Payroll

The main elements of the payroll system are:

- Staff appointments.
- Payroll administration and payments
- As part of the annual budget process The Board of Directors will approve a staff establishment for the Trust and Academies.
- The Headteachers have the authority to appoint staff within the authorised establishment, including supply staff, except for the Headteachers and the Trust Head of Finance, Business and Operational Organisation whose appointments must be approved by the Directors.
- Headteachers will ensure that all vacancies are discussed prior to being approved in order that opportunities to consider Trust-wide appointments have been considered fully.

- Changes to the staff establishment can only be made with the approval of the Headteacher who must ensure that adequate budgetary provision exists for the proposed change.
- Changes to non-teaching staff pay can be recommended by the Headteacher.
- Changes to teaching staff pay can be recommended by the Executive Headteacher or Headteachers and approved by the Local salaries Committee.
- New appointments, any subsequent amendments to an employee's terms of employment and terminations of employment will be notified to the pay provider by the required means.
- Staff overtime, expenses and supply claims can be approved by the Executive Head, Headteachers or Trust Head of Finance, Business and Operational Organisation.
- The Finance Team will ensure that the Staffing spreadsheets are updated to take account of new appointments, amendments, terminations of employment overtime and supply claims.
- Before each payroll date (28th of each month) the payroll provider will forward a detailed breakdown of all payments to be made. The payment report will be checked for accuracy by the Finance Team and Trust Head of Finance, Business and Operational Organisation, Executive Headteacher/Headteacher before the payments are made.
- Salary control accounts will be populated through the payroll journal import file and subsequently reconciled against the bank statement once payment has been made.

35. Additional Hours/Overtime

- In general, any additional hours or overtime payments sit outside of budget plans and budget holders' allocations. It is therefore important that the budget holder, to which the overtime costs will be allocated, approves any payment.
- It is expected that any additional hours are approved by the budget holder before they are worked. It is accepted that there are times when this is not possible; however, this should be the exception to the rule.

36. Staff Expenses

Staff may claim for reasonable expenses incurred to perform their duties. Reasonable expenses include:

- Travel by public transport (excluding home to work travel).
- Use of own car and parking (excluding home to work travel).
- Unavoidable overnight accommodation.
- Reimbursement for the purchase of approved items.
- Rates and allowances are agreed in advance.
- Actual expenditure claimed must be supported with receipts, whatever the expenditure. The claims will be processed in the Finance Office and monitored to ensure compliance. Payment will be sent to the member of staff. All records of claims and payments must be kept together.

37. Staff Redundancy

- From time to time it may be necessary for the Trust to instigate redundancy procedures; this could either be to address cost pressures or as a result of organisational change. Any action intended to result in staff redundancy must be approved by the Board of Directors.

38. Charge Cards

- A limited number of charge cards will be issued for small value transactions. Charge cards should only be held by authorised card holders and should be retained on the school premises unless approval has been given for specific reasons e.g., a residential trip. Monthly statements will be checked and reconciled. All documents supporting the payments should be retained with the statement.
- Use of charge cards will be allowed in accordance with The Trust regulations. All charge cards should be held in the safe/locked device and signed for if being used off site. Accounts must be reconciled and balanced to receipts on a monthly basis.
- Charge card transactions will be posted to the appropriate nominal code and cost centre onto the account system through the Charge Card Expense Form.
- Charge card use and limits will be reviewed annually.

Charge card holders within the Trust are:

- Executive Headteacher
- Trust Head of Finance, Business and Operational Organisation
- Finance Officer

- Trust Estates, Facilities and IT Infrastructure Leader
- Others periodically if approved for short term specific need (will be cancelled after time span need completed)

39. Petty Cash

- A small petty cash float can be held at schools as required.
- Minor items of expenditure can be paid or reimbursed to staff through the Academy's own petty cash system.
- Expenditure paid through petty cash must not exceed £50 in any one transaction. Requests for amounts above this limit can only be authorised by the Trust Head of Finance, Business and Operational Organisation.

All payments made must be supported by an appropriate vat voucher signed by the member of staff receiving the cash.

Requests for reimbursement without a supporting receipt must be authorised by the Trust Head of Finance, Business and Operational organisation who will satisfy themselves that the expenditure has necessarily been incurred for school purposes and can be verified.

- Supporting receipts must only include the goods to which the petty cash payment relates. They must not include elements of a member of staff's personal purchases.
- All petty cash will be kept in a locked box in the safe and the Finance Team will be responsible for its security.
- The amount of petty cash held must be kept to a minimum and should never exceed £200 at any one time. The maximum amount of cash held in the academies at any time must never exceed the insured limit for the safe as set by the academies' insurance cover.
- Cash floats for specific purposes (for example a residential trip) will be managed in a similar way to petty cash but sit outside of the main petty cash account. The amount held in these floats will be an amount deemed necessary to cover unexpected expenditure whilst on the trip and will be the responsibility of the trip leader.
- The Finance Team will be responsible for the monthly reconciliation of the petty cash at the end of the month and entry onto the Trust's financial system.

40. Taxation

- The Trust abides by the procedures issued by the HMRC in connection with Corporation tax. Currently it is assessed that all activities fall within the Trust's core educational provision or below the "trading" threshold and therefore as primary purpose is not subject to Corporation tax.
- The Trust also abides by the procedures issued by the HMRC in connection with VAT. The Trust is not VAT registered.
- The Trust is entitled to reclaim input tax paid on all its non-business expenditure and this claim is prepared by the Trust Head of Finance, Business and Operational Organisation and Finance Team and submitted on a regular basis to HMRC.
- Where new activities are undertaken, professional advice will be sought if the Corporation tax or VAT implications are not clear.

41. Fixed assets

- With the exception of Land and Buildings all fixed asset details are recorded on the Asset Register.
- All assets must be checked/physically verified at least annually to ensure that they are still in good repair and of use to the Academy.
- Disposals and scrapping/write-off of fixed assets must be approved as follows:

Between £1000 and £10,000 by the Trust Head of Finance, Business and Operational Organisation or the Executive Headteacher.

- Over £10,000 by the Local Governing Bodies Finance Committee.
- If the estimated re-saleable value of the materials is in excess of £50 but does not exceed £500, the proposed disposal shall be advertised on the staff notice board and staff will be invited to submit sealed bids for the items.
- If the estimated re-saleable value of the materials is in excess of £500, quotations shall be invited from at least two sources external to the school. Staff, however, are not precluded from also submitting bids.
- Records of disposals shall be kept together with details of bids.

- The Trust has set the value of a Fixed Asset at £1000 with a lifespan of over 12 months. All fixed assets purchased with an individual value of over £1000 must be entered into the asset register on the finance system.
- The Academy must seek the approval of the DFE in writing if it proposes to dispose of an asset, or group of assets, for which a capital grant in excess of £20,000 was paid.
- The Academy 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 the Academy must repay to the DFE a proportion of the sale proceeds.
- The use of fixed assets must be reviewed annually (to ensure that they are put to best use and serving the Academy's interests).
- Fixed assets must be appropriately insured.
- An appropriate depreciation rate should be allocated to each asset and the fixed asset register updated for the allocated rate. The Trust will depreciate fixed assets in line with recognised accounting standards, ESFA guidelines and external auditors. Depreciation rates are as follows:
 - Land and Buildings – straight line over the length of the lease
 - Fixtures and Fittings – 20% straight line
 - Computer Equipment – 33%
straight line
 - Motor Vehicle - 20% Reducing
balance

42. Credit control

- Debtor reports will be completed on a monthly basis. The Finance lead will report to Headteachers at Local Governing Body Finance Committees and to Board of Directors on a regular basis.
- The collection of all sums due to the Academy shall be the responsibility of and under the supervision of the Trust Head of Finance, Business and Operational Organisation.
- Any potential bad debts shall be reported to the Trust Head of Finance, Business and Operational Organisation and be included in the quarterly management accounts reporting.
- The following procedures should be adopted for all overdue accounts:
- A letter requesting immediate settlement of the debt to be sent when the debt is 14 days overdue.

- A second letter requesting immediate payment is to be sent if the debt remains outstanding for 21 days: and
- If the debt remains outstanding for 28 days, the matter will be escalated to the Headteacher and/or Executive Headteacher
- The Headteacher is authorised to write off any individual debt owed to the Academy up to a value of £500 and to a cumulative value of £1000 per month.
- The Executive Headteacher and Trust Head of Finance, Business and Operational organisation is authorised to write of any individual debt up to a value of £1000 and a cumulative value of £3000 per month.
- In all cases the Headteacher or Executive Headteacher must be satisfied that proper steps have been taken to mitigate the loss and prevent a recurrence. This may, for example, be in respect school meals debts, transport, nursery and wrap around provision, damage to the school or contents; charges levied by the school (e.g., music tuition). Any debt in excess of this shall be written off by the Local Finance Committee.
- Records of write offs shall be kept.

43. Insurance

- The Finance Team shall affect all insurances and negotiate all claims on the Academy's insurers in consultation with the Trust Head of Finance, Business and Operational Organisation, Headteacher and/or Executive Headteacher.
- The Trust Head of Finance, Business and Operational Organisation shall keep a record of all insurances effected by the Academy and the property and risks covered thereby, and annually review it in a report to the Finance Committee. The Board of Governors shall be notified of any loss liability or damage or of any event likely to lead to a claim.

44. Internal Control

- The Finance Team are responsible for carrying out the monthly bank statement reconciliation. All discrepancies that cannot be resolved following investigation are to be reported to the Trust Head of Finance, Business and Operational Organisation and Bank and investigated immediately. Where the discrepancy still cannot be resolved, the matter will be reported to the Executive Headteacher.
- The Finance Team is responsible for completing VAT returns in the prescribed format.

- The Trust Head of Finance, Business and Operational Organisation will be responsible for periodically checking and signing to confirm the checks have been made for both the Delegated Budget and school funds: -

- Bank account reconciliations
- VAT returns
- Petty cash reconciliations
- Payroll reconciliations
- Creditor and Debtor reports
- Sales ledger control
- Purchase ledger control
- The working documents in respect of the month-end reconciliations will be retained within a month end file. Where possible this information will also be stored electronically.

45. Management accounts

Monthly management accounts are produced and reviewed by each academy's Headteacher and Finance Committee and Trust wide consolidated and non-consolidated accounts by the Board of Directors. The management accounts will contain the following:

- Actual year to date vs. budgeted year to date income and expenditure.
- Explanation of key/material variances; and
- Creditor and Debtor reports.
- Consolidated Balance sheets
- Trust Cashflow forecasts
- Statement of Reserves and loans

Termly management accounts will be issued to the full Local Governing Body Finance Committee and discussed at the Full Local Governors' and Directors' meetings as appropriate.

46. Related party transactions

Trusts must obtain ESFA's prior approval, using ESFA's related party on-line form, for contracts and other agreements for the supply of goods or services to the trust by a related party agreed on or after 1 September 2023 where a contract or other agreement exceeds £40,000 in the same financial year ending 31 August.



This approval requirement does not apply in the following circumstances:

- the provision of services to an academy trust with a religious designation, for essential functions fundamental to the academy trust's religious character and ethos which can only be provided by their religious authority.

For the purposes of reporting to and approval by ESFA, contracts and agreements with related parties do not include salaries and other payments made by the trust to a person under a contract of employment through the trust's payroll.

47. Review

- The Finance Policy and associated appendices will be reviewed on an annual basis.

Appendix I

The Shropshire Gateway Educational Trust Summarised Financial Scheme of Delegation

Delegated Responsibility	Value	Delegated Authority	Method of Recording and Reporting
Orders and payments for goods and services	Capitation allocated	HODs up to £5000	Recorded via Order Form/ Financial System
	£5000 to £25000 for individual transaction with 3 quotes	Trust Head of Finance, Business and Operational Organisation/Headteacher	
	Up to £11000 for individual transaction without 3 quotes	Executive Head	
	Above £25000 by tender	Headteacher /Trust Head of Finance, Business and Operational Organisation	Reported to Local Finance Committee Recorded via Order Form/ Financial System
	Above £25000 to £100000 by tender	Trust Head of Finance, Business and Operational Organisation and Executive Headteacher	Reported to Directors
	Above £11000 (goods or services for more than one academy)	Trust Head of Finance, Business and Operational Organisation	
	Above £100000 by tender	Trust Head of Finance, Business and Operational Organisation / Executive Headteacher / Director	
Signatories for cheques/ BACS payment authorisations and other bank transfers	Up to £60000	2 Finance team signatories at all times subject to segregation of duties	Recorded via payment module on Financial System



<p>Monthly charge card limits</p>	<p>Finance team £6000 Trust Head Finance, Business and Operational Organisation £2000 Trust Estates, facilities and IT infrastructure leader £2000 Trust Executive Headteacher £2000</p>	<p>Card holders</p>	<p>Recorded via Sage</p>
<p>Payroll</p>	<p>Payroll Bacs runs. And individual faster payments</p>	<p>2 signatories at all times Executive Head/Trust Head of Finance, Business and Operational Organisation and Finance Leader.</p>	<p>Recorded on payroll payment file.</p>
<p>Approve transfers between budget headings within agreed. limits</p>	<p>Up to £100000</p>	<p>Trust Head of Finance, Business and Operational Organisation and Executive Head</p>	<p>Recorded via journal transfer on Financial. System Reported to Local Finance Committee.</p>
<p>Authorise/ seek authority for the disposal of unusable or obsolete. items</p>	<p>Up to £500</p>	<p>Headteacher</p>	<p>Recorded on Asset Register.</p>
	<p>Up to £10000</p>	<p>Trust Head of Finance, Business and Operational Organisation</p>	<p>Recorded on Asset Register.</p>

	Over £10000	the Local Governing Bodies Finance Committee.	Recorded on Asset Register. Reported to Local Finance committee
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Seek approval for writing off debts and losses	Up to £500	Headteacher	Reported to Local Finance Committee
	Cumulative value of up to £1000 per month	Headteacher	Reported to Local Finance Committee
	Up to £1000	Executive Headteacher	Reported to Local Finance Committee
	Cumulative value per up to £3000 month	Executive Headteacher	Reported to Local Finance Committee
	Over £3000	Local Finance Committee	Reported to SGET Directors
Appointment of New Staff posts.	Casual or Supply	Headteacher	Headteacher/Local Governing Board
Appointment of New Support Staff posts.		Headteacher	Headteacher/Local Governing Bord
Appointment of New Teaching Staff posts.	Up to Deputy Headteacher level	Headteacher	Minutes of Local Finance Committee



Appointment of New Staff posts.	Headteacher, Executive Headteacher, Head of Finance, Business and Operational Organisation		Local Governing Board/Board of Directors
Staff Redundancy			Board of Directors
Pay Progression		Headteachers Executive Headteacher	Local Pay Committee / Board of Directors
Overtime/Additional Hours for Teaching Staff/Educational Support staff.		Headteacher Trust Head of Finance, Business and Operational Organisation Executive Headteacher	Claim Form
Overtime for Support Staff		Executive Headteacher/Headteacher or Trust Head of Finance, Business and Operational Organisation	Claim Form

Summary of freedoms and delegations

- This summary is not a substitute for the full handbook which the Trust will refer to as required. Novel, contentious and repercussive Novel, contentious and repercussive transactions - ESFA agreement required.
- Special payments Staff severance and compensation - ESFA agreement required if £50,000 or more before tax.
- Ex gratia payments - ESFA agreement required.
- Write-offs and liabilities (subject to £250,000 ceiling). Writing-off debts and losses - ESFA consent required if exceeds:
 - 1% of annual income or £45,000 individually; or
 - 2.5% or 5% of annual income cumulatively
- Entering into guarantees, indemnities or letters of comfort Acquisition and disposal of fixed assets
- Acquiring freehold land/buildings - ESFA agreement required
- Disposing of a freehold on land/buildings - ESFA agreement required
- Disposing of heritage assets- ESFA agreement required
- Other disposals - Trust has full discretion.
- Leasing Taking up a finance lease - ESFA agreement required.

- Taking up a leasehold on land and buildings- ESFA agreement if lease term seven years or more
- Taking up any other lease Trust has full discretion.
- Granting a lease on land and buildings - ESFA agreement required
- GAG carry forward No limits if trust eligible.
- Pooling by trusts with multiple academies No limits if trust eligible.
- Borrowing Loan, overdraft - ESFA agreement required
- Credit cards (for business use) Trust has full discretion provided charges not incurred.

Appendix 2

The Shropshire Gateway Educational Trust – Procurement Limits

It is important that all purchases show best value has been achieved; to do this the Trust has adopted the following procedures, which must be adhered to by all staff involved in the procurement of goods or services.

Estimated Value of Goods or Services	Minimum Number of Quotes/ Tenders	Method of Inviting Quotes/ Tenders	Basis of Selecting Supplier/ Contractor	Records Required	Formal Contract Required
Under £5K	Purchaser to ensure Academy getting value for money	Documented Quotation, depending on level of spend	Purchasing Knowledge	Note to be made of Source, name and number of quotes obtained.	No
£5,001– 25,000	3 to be obtained	Formal /Written quotation	Purchasing Knowledge/ Trade Directories	Written note of source, name and number of quotes must be obtained	Dependent on nature of goods or services.



£25,001– £100,000	3 to be invited	Sealed tender	Purchasing Knowledge/ Trade Directories – Trust approved list	Quotations received, written via sealed envelopes.	Yes
£100,001 and over	4 to be invited	Sealed tenders	Advertisement/Trade Directories- Trust approved. list / ESFA purchasing	Tender Schedule and tenders	Yes

All of the above limits are exclusive of VAT.



THE SHROPSHIRE GATEWAY EDUCATIONAL TRUST Anti-bribery Policy

Contents

Policy Statement

Policy Scope

Review/Dissemination of and Access to the Policy

1.0 Policy Statement

- The Shropshire Gateway Educational Trust “the Academy”, as a charitable educational institution, values its reputation for ethical behaviour and financial probity. The Academy is committed to carrying out its activities fairly, honestly, openly and to ensuring it adheres to and promotes best practice in bribery prevention.
- Bribery is the offer, promise, giving, demanding or acceptance of an advantage as an inducement to encourage a person to perform a relevant function or activity improperly or to reward that person for already having done so.
- Bribery is a criminal offence, morally wrong and exposes members of the Academy’s community to the risk of prosecution, fines and/or imprisonment (up to a maximum of 10 years) as well as endangering its reputation.
- The Academy is committed to its responsibilities under the Bribery Act 2010; ensuring that no bribes are made, offered, sought or obtained by anyone acting on its behalf, to anyone, anywhere in the world by:
 - Setting out and maintaining a clear Anti-Bribery Policy and other relevant policies and procedures, for example, Public Interest Disclosure (Whistleblowing) Policy, which are proportionate to the risks faced by the Academy and enable concerns to be brought to its attention (in confidence, if required) and dealt with.
 - Informing all staff so they can recognise and avoid the use of bribery by themselves or others.
 - Encouraging all its Directors, Governors, staff, students and individuals (including agents, consultants, contractors, service providers and external partner organisations) working on behalf of, under contract from or in collaboration with any part of the Academy to report any suspicious activity or wrongdoing which could be construed as bribery.
 - Robustly and promptly investigating all cases of actual or suspected bribery and ensuring appropriate action is taken against any individual(s) involved in bribery. The Police will be informed where considered appropriate.

• 2.0 Policy Scope

This Policy:

- Applies to all Directors, Governor's staff and students and individuals (including agents, consultants, contractors, service providers and external partner organisations) working on behalf of, under contract from or in collaboration with any part of the Academy.
- Extends to all of the Academy's activities and operations and to all of its dealings and negotiations with third parties.
- Strictly prohibits the offering, enticing or acceptance of any bribe (in any form including a facility payment) to or from any person, company, wherever they are situated and whether they are a public official or body or private person or company by any Governor, member of staff or student or individual working on behalf of, under contract from or in collaboration with any part of the Academy in order to gain any commercial, contractual or regulatory advantage for the Academy or in order to gain any personal advantage, financial or otherwise, for the individual or anyone connected with the individual.
- Requires all staff or students or individuals working on behalf of, under contract from or in collaboration with any part of the Academy to be responsible for:
 - conducting themselves at all times with integrity, impartiality and honesty, safeguarding any resources and/or assets belonging to the Academy for which they are responsible and complying with all applicable law; and
 - helping detect, prevent and report not only bribery but all suspicious activity or wrongdoing which could be construed as bribery, and
 - being alert to the possibility of unusual events, behaviours or transactions which could be an indication of bribery; and
 - reporting all concerns or suspicions of bribery, fraud or corruption to their line manager or another senior person so that action can be taken under the Academy's Fraud Response Plan: and
 - co-operating fully with whomsoever is conducting internal checks, reviews and/or investigations.

- Knowingly failing to comply with this Policy by any Director, Governor, member of staff or student will be considered a serious matter of misconduct and action will be taken under local disciplinary procedures up to and including dismissal.
- Any individual (including any agent, consultant, contractor, service provider and external partner organisation) working on behalf of, under contract from or in collaboration with any part of the Academy will likely result in the termination of its business and contractual relationship with the Academy.
- Bona fide hospitality and promotional, or other business expenditure which seeks to improve the image of an organisation, to better present products and services, or to establish cordial relations, is recognised as an established and important part of doing business and it is not the intention of the Bribery Act 2010 to criminalise such behaviour. This Policy therefore is not meant to prohibit the following practices providing they are customary in a particular market, are reasonable and proportionate and are properly recorded:
 - Normal and appropriate hospitality as permitted under the Academy's Financial Regulations (procedures manual).
 - The giving of ceremonial gifts at a special time.
 - The use of recognised fast track process which is available to all on payment of a fee.

3.0 Review/Dissemination of and Access to the Policy

- The Board of Directors is responsible for issuing relevant procedures for the prevention, detection, reporting and handling of bribery and for making all relevant persons aware of the necessity of complying with this Policy.
- The Academy's leadership team have responsibility for monitoring the operation and effectiveness of anti-bribery arrangements and should receive appropriate reports on bribery activity. The Trust's Audit Committee has a responsibility to oversee the Academy's policy on fraud and irregularity, including being notified of any action taken under that policy.
- This policy will be reviewed on an annual basis.



THE SHROPSHIRE GATEWAY EDUCATIONAL TRUST

Anti-Fraud Policy

1.0 Introduction

- This document sets out the policy and procedures of Shropshire Gateway Educational Trust “the Academy” against fraud and other forms of dishonesty, together with the steps that must be taken where any of these practices is suspected or discovered.
- It applies to Governors, staff, students and volunteers. Anybody associated with the Academy who commits fraud, theft or any other dishonesty, or who becomes aware of it and does not report it, will be subject to appropriate disciplinary action.

2.0 Statement of intent

- The Academy will continually strive to ensure that all its financial and administrative processes are carried out and reported honestly, accurately,

transparently and accountably and that all decisions are taken objectively and free of personal interest. We will not condone any behaviour that falls short of these principles.

- All members of the organisation have a responsibility for putting these principles into practice and for reporting any breaches they discover.

3.0 Definitions

- **Fraud:** A deliberate intent to acquire money or goods dishonestly through the falsification of records or documents. The deliberate changing of financial statements or other records by either; a member of the public, someone who works or is a volunteer for the Academy. The criminal act is the attempt to deceive, and attempted fraud is therefore treated as seriously as accomplished fraud.
- **Theft:** Dishonestly acquiring, using or disposing of physical or intellectual property belonging to the Academy or to individual members of the organisation.
- **Misuse of equipment:** Deliberately misusing materials or equipment belonging to the Academy.
- **Abuse of position:** Exploiting a position of trust within the organisation.

4.0 Culture

- The Academy culture is intended to foster honesty and integrity and is underpinned by seven principles of behaviour. These are selflessness, integrity, objectivity, accountability, openness, honesty and leadership. Governors, staff, students and volunteers are expected to lead by example in adhering to policies, procedures and practices. Equally, members of the public, service users and external organisations (such as suppliers and contractors) are expected to act with integrity and without intent to commit fraud against the Academy in any dealings they may have with the Academy.
- As part of the culture, the Academy will provide clear routes by which concerns can be raised by Governors, staff, students and volunteers and by those outside of the Academy. A copy of the Academy's whistleblowing policy is available to Governors, staff, students' volunteers, service users, suppliers and other third parties.

- Senior management are expected to deal promptly, firmly and fairly with suspicions and allegations of fraud or corrupt practice.

5.0 Responsibilities

- In relation to the prevention of fraud, theft, misuse of equipment and abuse of position, specific responsibilities are as follows:

a. The Board of Directors

- The Board of Directors are responsible for establishing and maintaining a sound system of internal control that supports the achievement of the Academy's policies, aims and objectives.
- The system of internal control is designed to respond to and manage the whole range of risks that the Academy faces.
- The system of internal control is based on an on-going process designed to identify the principal risks, to evaluate the nature and extent of those risks and to manage them effectively. Managing fraud risk is seen in the context of the management of this wider range of risks.

b. The Accounting Officer

- Overall responsibility for managing the risk of fraud has been delegated to the Accounting Officer. His/her responsibilities include:
 - Undertaking a regular review of the fraud risks associated with each of the key organisational objectives.
 - Establishing an effective anti-fraud response plan, in proportion to the level of fraud risk identified.
 - The design of an effective control environment to prevent fraud.
 - Establishing appropriate mechanisms for:
 - reporting fraud risk issues.
 - reporting significant incidents of fraud or attempted fraud to the Academy Board.

- Reporting incidents of fraud over £5,000 to the ESFA or where it is unusual in nature systematic.
- Liaising with the Academy's appointed Auditors.
- Making sure that all staff are aware of the Academy's Anti-Fraud Policy and know what their responsibilities are in relation to combating fraud.
- Ensuring that appropriate anti-fraud training is made available to Governors, staff, students and volunteers as required; and
- Ensuring that appropriate action is taken to minimise the risk of previous frauds occurring in future.

c. Senior Management Team

- The Senior Management Team is responsible for:
 - Ensuring that an adequate system of internal control exists within their areas of responsibility and that controls operate effectively.
 - Preventing and detecting fraud as far as possible.
 - Assessing the types of risk involved in the operations for which they are responsible.
 - Reviewing the control systems for which they are responsible regularly.
 - Ensuring that controls are being complied with and their systems continue to operate effectively; and
 - Implementing new controls to reduce the risk of similar fraud occurring where frauds have taken place.

d. Staff and Volunteers

- Every member of staff or volunteer is responsible for:
 - Acting with propriety in the use of the Academy's resources and the handling and use of funds where they are involved with cash, receipts, payments or dealing with suppliers.
 - Conducting themselves in accordance with the seven principles set out above. They are selflessness, integrity, objectivity, accountability, openness, honesty and leadership.

- Being alert to the possibility that unusual events or transactions could be indicators of fraud.
- Alerting their manager when they believe the opportunity for fraud exists e.g., because of poor procedures or lack of effective oversight.
- Reporting details immediately if they suspect that a fraud has been committed or see any suspicious acts or events; and
- Cooperating fully with whoever is conducting internal checks or reviews or fraud investigations.

6.0 Detection and Investigation

- Whilst having regard to the requirements of the Data Protection legislation, the Academy actively participates in an exchange of information with external agencies on fraud and corruption. It is often the alertness of Governors, staff, student or volunteers and the general public to the possibility of fraud and corruption that leads to detection of financial irregularity.
- The Chair of the Board of Directors must be notified immediately of all financial or accounting irregularities or suspected irregularities or of any circumstances which may suggest the possibility of irregularities including those affecting cash, inventory, property, remuneration or allowances.
- Reporting of suspected irregularities is essential as it:
- Facilitates a proper investigation by experienced staff and ensures the consistent treatment of information regarding fraud and corruption.
- When so notified, the Chair will instigate an investigation by appointing a designated officer, auditor or other adviser. The designated officer, auditor or other advisor will:
- Deal promptly with the matter.
- Record evidence received.
- Ensure the security and confidentiality of evidence.
- Work closely with senior managers of the Academy and other agencies, such as the Police and Courts to ensure that all issues are properly investigated and reported upon.
- Ensure maximum recoveries are made on behalf of the Academy and assist the senior managers to implement Academy's disciplinary procedures where considered appropriate (referral to the Police will not prohibit or restrict action under the Disciplinary Procedure).



- In cases of suspected payroll irregularities where a fraud investigation may be possible, discussion will occur between the Chair of the Board of Directors and the Academy if it is thought a disciplinary investigation is more appropriate.
- Malicious accusations may be the subject of disciplinary action.

7.0 Review

This policy will be reviewed on an annual basis.



The Shropshire Gateway Educational Trust Gifts and Hospitality Policy

Author	Trust Head of Finance, Business and Operations
Review Cycle	Annually
Date Approved	September 2023
Approved By	Heads Board
Next Review Date	September 2024



1. Aims
 2. Legislation and guidance
 3. Definitions
 4. Roles and responsibilities
 5. Acceptable gifts and hospitality
 6. Unacceptable gifts and hospitality
 7. Declining gifts and hospitality
 8. Monitoring arrangements
 9. Links with other policies
- Appendix 1: gifts and hospitality register

1. Aims

This policy aims to ensure that:

- The academy trust's funds are used only in accordance with the law, its articles of association, its funding agreement and the latest Academy Trust Handbook
- The trust and those associated with it operate in a way that commands broad public support
- The trust has due regard to propriety and regularity, and ensures value for money, in the use of public funds
- Trustees fulfil their fiduciary duties and wider responsibilities as charitable trustees and company directors
- Members, trustees and staff are aware of what constitutes acceptable gifts and hospitality, and the process that must be followed if they are presented with any of the same.

2. Legislation and guidance

This policy is based on the [Academy Trust Handbook](#), which states that academy trusts should have a policy and register on the acceptance of gifts, hospitality, awards, prizes or any other benefit which might be seen to compromise the personal judgement or integrity of members, trustees, staff and/or any other representative of the trust.

This policy also complies with our funding agreement and articles of association.

3. Definitions

Gifts are any items, cash, awards, prizes, goods or services, offered without expectation of payment or benefit. Gifts also include goods or services offered at a discounted rate, or on terms not available to the general public.

Hospitality is defined as food, drink, accommodation or entertainment (such as cultural or sporting events) provided free of charge, heavily discounted or on terms not generally available to the general public.

4. Roles and responsibilities

4.1 Members, trustees and staff

Members, trustees and staff:

- Must not give or accept gifts or hospitality to or from a third party where it might be perceived that their personal integrity has the potential to be compromised, or that the trust might be placed under any obligation as a result of acceptance
- Must not use their official position to further their private interests or the interests of others

- Must not solicit gifts or hospitality
- Must record any gifts or hospitality offered to them or the trust with a value of over £30 on the gifts and hospitality register (see appendix 1) within 7 working days, even if declined
- Must consult the headteacher before accepting or offering any gifts or hospitality with a value of over £30.

4.2 Academy trustees

Academy trustees will ensure that the trust's funds are used in a way that commands broad public support, pays due regard to propriety and regularity, and provides value for money.

4.3 The Executive Headteacher

The headteacher is responsible for ensuring that staff are aware of and understand this policy, and that it is being implemented consistently.

The headteacher will act with the utmost integrity on all matters relating to gifts and hospitality, ensuring that they set a good example to the rest of the school and trust and to those outside the organisation.

They will also ensure, that decisions on whether individuals or the trust can accept or offer gifts or hospitality with a value of over £30 are in line with this policy.

4.4 The Trust Head of Finance, Business and Operations

The Trust Head of Finance, Business and Operations will ensure that:

- The trust maintains a gifts and hospitality register
- Figures for transactions relating to gifts made by the trust are disclosed in the trust's audited accounts, in accordance with the Academy Trust Handbook
- The academy trustees and headteachers are provided with information on gifts and hospitality received and given, as appropriate

They will also ensure, alongside the headteacher, that decisions on whether individuals or the trust can accept or offer gifts or hospitality with a value of over £30 are in line with this policy.

4.5 The individual headteacher

The headteacher or delegated person is responsible for maintaining the gifts and hospitality register on a day-to-day basis.

4.6 Parents

You may also wish to set out information in this policy for parents – for example, to explain restrictions on giving gifts to teachers in line with your trust's approach. If so, you might:

- Explain that you do not wish to discourage all gift-giving, and that small tokens of gratitude are always appreciated
- Provide guidance on the appropriate value of gifts and circumstances when they may be offered, or explain that the trust prevents teachers and other staff from accepting gifts worth over a certain amount

5. Acceptable gifts and hospitality

5.1 Offers of gifts and hospitality received

Members, trustees and staff can accept gifts and hospitality that have a value of £30 or less. These do not have to be pre-approved or recorded on the gifts and hospitality register.

Generally, gifts of nominal value, such as small tokens of appreciation, may be accepted. If in any doubt, members, trustees and staff must consult the Trust Head of Finance, Business and Operations or headteacher. Similarly, hospitality such as working lunches may be accepted in order to maintain good relationships with key contacts, provided the hospitality is reasonable in the circumstances. If in doubt, guidance must be sought from the Trust Head of Finance, Business and Operations or headteacher.

Any gifts or hospitality offered with a value of over £30 must be recorded on the gifts and hospitality register within 7 working days, even if declined. Any member, trustee or member of staff who is offered such gifts or hospitality must consult the Trust Head of Finance, Business and Operations or headteacher before accepting. If the headteacher is the recipient, or intended recipient, of **any** offer of gifts or hospitality, they must inform the chair of the board of trustees and record the offer on the gifts and hospitality register.

Failure to declare any offer of gifts or hospitality on the register in line with this policy will be treated as a staff disciplinary matter.

5.2 Offers of gifts and hospitality given

Any gifts or hospitality provided by the trust, such as a working lunch for visitors, must not be extravagant. A maximum value of £30 per head should be used as a guideline.

Alcohol must not be purchased out of the school budget.

Expense claims should be made to the Trust Head of Finance, Business and Operations and receipts must always be enclosed.

The Trust Head of Finance, Business and Operations or headteacher must be consulted about any proposal to provide gifts or hospitality with a value of over £30.

6. Unacceptable gifts and hospitality

The following must never be offered or accepted:

- Monetary gifts
- Gifts or hospitality offered to family members, partners or close friends of members, trustees or staff
- Gifts or hospitality from a potential supplier or tenderer in the immediate period before tenders are invited or during the tendering process
- Lavish or extravagant gifts or hospitality, even if they relate to activities the recipient undertakes in their own time .
- This list is not intended to be exhaustive.

7. Declining gifts and hospitality

Any members, trustee or staff member who is offered any of the unacceptable gifts or hospitality outlined in section 6 above should politely decline the offer.

If they feel it would not be appropriate for them to decline, they should refer the matter to the headteacher or The business manager who may decline the offer, or donate the gift or hospitality to a worthy cause, and must also record the offer on the gifts and hospitality register.



Disciplinary action will be taken against anyone who fails to decline gifts or hospitality the trust has deemed unacceptable.

Failure to declare any gifts or hospitality offered on the gifts and hospitality register, in line with this policy, will be dealt with as a staff disciplinary matter.

8. Monitoring arrangements

The gifts and hospitality register is monitored regularly by the Trust Head of Finance, Business and Operations.

This policy will be reviewed annually by the Trust Head of Finance, Business and Operations and approved by the headsboard and Board of Directors

9. Links with other policies

This gifts and hospitality policy is linked to the:

- Staff code of conduct
- Staff disciplinary procedures
- Trust Finance policy

