

Financial Regulations

Policy name:	Financial Regulations
Policy reference:	Pol-FR-FD
Created by:	Director of Finance and IT
Approved by:	Deputy Principal – Finance and Resources
Date of last review:	June 2026
Date of next review:	August 2027
Revision number:	35

This document is available in other formats including audio, Braille and other languages. The same applies to all material which is referenced within in it. For further assistance, please contact the Quality Department on 01925 494280 or email quality@wvr.ac.uk

Contents

1.	Purpose:	3
2.	Scope	3
3.	Responsibility	3
A.	General Provisions	3
1.	Background	3
2.	Status of Financial Regulations	3
B.	Corporate Governance	4
3.	The Corporation	4
4.	Designated Officer	5
5.	Committee Structure	6
6.	Other Senior Managers with Financial Responsibility	7
7.	Risk Management	8
8.	Whistleblowing	9
9.	Code of Conduct	9
C.	Financial Management and Control	10
10.	Financial Planning	10
11.	Financial Control	12
12.	Accounting Arrangements	14
13.	Audit Requirements	15
14.	Treasury Management	17
15.	Income	19
16.	Other Income-Generating Activity	22
17.	Intellectual Property Rights and Patents	24
18.	Expenditure	24
19.	Pay Expenditure	33
20.	Assets	36
21.	Funds Held on Trust	38
22.	Other	39
23.	Appendices	41
	Appendix A: Finance and Resources Committee Responsibilities	43
	Appendix B: Audit Committee Terms of Reference	43
	Appendix C: Key Contacts in the Finance Department	46
	Appendix D: Main Features of the Public Interest Disclosure Act 1998	54
	Appendix E: The Seven Principles of Public Life from the Report of the Committee for Standards in Public Life (The Nolan Report)	56
	Appendix F: Summary of Protocols for Proposed Capital Expenditure	57
	Appendix G: Summary of Protocols for Proposed Major Developments	58
	Appendix H: Internal Audit Service	59
	Appendix I: Conditions of Contract for the Purchase of Goods	60
	Appendix J: Main Points Included in the College's Code of Tendering Practice	61
	Appendix K: Treasury Management Policy	62

1. Purpose

The purpose of these regulations is to inform staff about general provisions, corporate governance and financial management and control.

2. Scope

The regulations apply to all staff employed at the College.

3. Responsibility

Responsibility for the regulations lies with the Deputy Principal – Finance and Resources, supported by the Director of Finance.

A. General Provisions

1. Background

- 1.1 The college is a further education Corporation created under the provisions of the Further and Higher Education Act 1992 as amended by the Education Act 2011. Its structure of governance is laid down in the instrument and articles of government. The college is accountable through its Corporation, which has ultimate responsibility for the effectiveness of its management and administration.
- 1.2 From 29 November 2022 the college was reclassified back into the public sector which means that it (and its subsidiaries) are now part of central government and subject to the framework for financial management, as set out in 'Managing Public Money' ('MPM').
 - 1.3 The college is an exempt charity by virtue of the Charities Act 2011.
- 1.4 The financial memorandum between the funding body and the college sets out the terms and conditions on which grant is made. The Corporation is responsible for ensuring that conditions of grant are met. As part of this process, the college must adhere to the funding body's Financial Handbook, which requires it to have sound systems of financial and management control. The financial regulations of the college form part of this overall system of accountability.
- 1.5 The college must comply with the DFE's 'College Financial Handbook' as a condition of its accountability agreement.

2. Status of Financial Regulations

- 2.1 This document sets out the college's financial regulations. It translates into practical guidance the college's broad policies relating to financial control. This document was approved by the Corporation December 2025. It applies to the college and all its subsidiary undertakings.
- 2.2 These financial regulations are subordinate to the college's instruments and articles of government and to any restrictions contained within the college's financial memorandum with the funding body and the College's Financial Handbook.
- 2.3 The purpose of these financial regulations is to provide control over the totality of

the college's resources and provide management with assurances that the resources are being properly applied for the achievement of the college's strategic plan and business objectives on a sustainable basis, including:

- Maintaining financial sustainability
 - Achieving value for money
 - Fulfilling its responsibility for the provision of effective financial controls over the use of public funds
 - Ensuring that the college complies with all relevant legislation
 - Safeguarding the assets of the college.
- 2.4 Compliance with the financial regulations is compulsory for all staff connected with the college. A member of staff who fails to comply with the financial regulations may be subject to disciplinary action under the college's disciplinary policy. The Corporation will be notified of any such breach through the audit committee. It is the responsibility of heads of department to ensure that their staff are made aware of the existence and content of the college's financial regulations.
- 2.5 The Finance & Resources Committee is responsible for maintaining a continuous review of the financial regulations, through the Deputy Principal – Finance & Resources, and for advising the Corporation of any additions or changes necessary.
- 2.6 In exceptional circumstances, this Committee may authorise a departure from the detailed provisions herein, such departure to be reported to the Corporation at the earliest opportunity.
- 2.7 The college's detailed financial procedures set out precisely how these regulations will be implemented and are held separately.

B. Corporate Governance

3. The Corporation

- 3.1 The Corporation is responsible for the management and administration of the college. Its financial responsibilities are to:
- Ensure the solvency of the college and the safeguarding of the college's assets
 - Appoint, grade, suspend, dismiss and determine the pay and conditions of service of the Principal and other senior post-holders
 - Set a framework for pay and conditions of service of all other staff
 - Ensure that the financial, planning and other management controls, including controls against fraud and theft, applied by the college are appropriate and sufficient to safeguard public funds
 - Approve the appointment of external auditors and an internal audit service
 - Secure the efficient, economical and effective management of all the college's resources and expenditure, capital assets and equipment, and staff, so that the investment of public funds in the college is not put at risk
 - Ensure that appropriate financial considerations are taken into account at

all stages in reaching decisions and in their execution

- Plan and conduct its financial and academic affairs so that its total income is not less than sufficient, taking one year with another, to meet its total expenditure
- Approve an annual budget before the start of each financial year
- Determine tuition fees
- Ensure that the college complies with the funding body's Financial Handbook
- Approve the college's strategic plan
- Approve the annual financial statements.

4. Accounting Officer

- 4.1 The Principal is the college's designated Accounting Officer and carries specific responsibilities for financial matters. The Accounting Officer role includes a personal responsibility to Parliament, and to DfE's accounting officer, for the college's financial resources. Must be able to assure DfE's accounting officer, Parliament, and the public, of high standards of probity in the management of public funds, particularly regularity, propriety, feasibility and value for money including economy, efficiency and effectiveness – the 3 elements of value for money.

In particular, the articles of government 3. (2). (e) charge the Principal with responsibility:

“...for preparing annual estimates of income and expenditure, for consideration and approval by the Corporation, and for the management of budget and resources, within the estimates approved by the Corporation.”

The Principal must adhere to The Seven Principles of Public Life.

The Principal shall demonstrate his or her oversight of financial matters by signing the balance sheet and the statement of corporate governance within the annual financial statements, and the financial forecasts submitted to the funding body.

The Principal must complete and sign a statement of regularity, propriety and compliance each year and submit this to DfE with the college's audited annual report and accounts, as set out in the College accounts direction.

The Principal must take personal responsibility (which must not be delegated) for assuring the board that there is compliance with the accountability agreement, the Financial Handbook and the college's governing document. This includes where such action conflicts with the duties of the accounting officer to ensure regularity, propriety, value for money and feasibility.

The Principal must formally advise board members in writing if action the board is considering is incompatible with the governing document (for example, instrument and articles of government or articles of association), accountability agreement or this handbook. The Principal must also formally advise board

members in writing if the board fails to act where required by the instrument and articles, accountability agreement or this handbook. Where the board is nevertheless minded to proceed, the Principal must consider the board's reasons as provided in writing. If the Principal is required to implement the board's decision, but still considers the action proposed by the board is in breach of the instrument and articles of government, the accountability agreement or this handbook, the Principal must notify DfE's accounting officer in writing as soon as practical.

5. Committee Structure

- 5.1 The Corporation has ultimate responsibility for the college's finances, but delegate's specific powers and processes to the Committees detailed below. These Committees are accountable to the Corporation.

5.2 Finance and Resources Committee

Monitoring of the college's financial position and financial control systems is undertaken by the Finance and Resources Committee. The committee will examine annual financial plans and management accounts (including the accounting policies upon which they are based) and recommend their approval to the Corporation. It will ensure that short-term budgets are in line with agreed longer-term plans and that they are followed. It will consider any other matters relevant to the financial duties of the Corporation and make recommendations accordingly. The committee will also ensure that the Corporation has adequate information to enable it to discharge its financial responsibilities. A more detailed extract from the Finance and Resources Committee's terms of reference is shown at Appendix A.

- 5.3 Consideration of the college's medium-term and strategic plans is undertaken by the Corporation. The Finance and Resources Committee is responsible for ensuring that all the financial implications of such plans are taken into account before their approval by the Corporation. In addition, it is responsible for considering the financial implications of the college's capital programme before it can be recommended to the Corporation for approval. Similarly, it considers and makes recommendations to the Corporation on the allocation of resources between academic and non-academic areas.

5.4 Audit Committee

Colleges are required by their accountability statement with the funding body and by the funding body's Financial Handbook to appoint an Audit Committee. The Committee is independent, advisory and reports to the Corporation. It has the right of access to obtain all the information it considers necessary and to consult directly with the internal and external auditors. The Committee is responsible for identifying and approving appropriate performance measures for Internal and External Audit and for monitoring their performance. It must also satisfy itself that satisfactory arrangements are in place to promote economy, efficiency and effectiveness. A more detailed extract from the Audit Committee's terms of reference is shown at Appendix B. The audit requirements of the college are set out in the funding body's Financial Handbook.

5.5 Senior Staff Salaries Committee

Consideration of senior management's pay and conditions is the responsibility of

the Senior Staff Salaries Committee. It has the power to make recommendations to the Corporation on their remuneration, including pay and other benefits, as well as contractual arrangements.

6. Other Senior Managers with Financial Responsibility

6.1 The Deputy Principal – Finance and Resources (Chief Financial Officer)

Day-to-day financial administration is controlled by the Deputy Principal – Finance & Resources, who is responsible to the Principal for:

- Preparing annual capital and revenue budgets and financial plans
- Preparing accounts, management information, monitoring and control of expenditure against budgets and all financial operations
- Preparing the college's annual accounts and other financial statements and accounts which the college is required to submit to other authorities
- Ensuring that the college maintains satisfactory financial systems
- Providing professional advice on all matters relating to financial policies and procedures
- Day-to-day liaison with internal and external auditors in order to achieve efficient processes.

Appendix C shows, for the main areas in which advice is sought, details of the key contacts within the Finance Department.

6.2 Members of The Senior Management Team (Directors of Department and Executive Leadership Team)

The Executive Leadership Team supported by the Senior Management Team are responsible to the Principal for financial management for the areas or activities they control. They are advised by the Deputy Principal – Finance & Resources in executing their financial duties. The Deputy Principal – Finance & Resources will also supervise and approve the financial systems operating within their departments, including the form in which accounts and financial records are kept. Directors of department are responsible for establishing and maintaining clear lines of responsibility within their department for all financial matters. Where resources are devolved to budget holders, they are accountable to their Director of department for their own budget.

Directors of department shall provide the Deputy Principal – Finance & Resources with such information as may be required to enable:

- Compilation of the college's financial statements
- Implementation of financial planning
- Implementation of audit and financial reviews, projects and value for money studies.

6.3 All members of staff

All members of staff should be aware and have a general responsibility for the security of the college's property, for avoiding loss and for due economy in the

use of resources.

They should ensure that they are aware of the college's financial authority limits (see 18.2) and the values of purchases for which quotations and tenders are required (see 18.8).

They shall make available any relevant records or information to either the Deputy Principal – Finance and Resources or the Director of Finance or their authorised representative in connection with the implementation of the college's financial policies, these financial regulations and the system of financial control.

They shall provide either the Deputy Principal – Finance and Resources or the Director of Finance with such financial and other information as he or she may deem necessary, from time to time, to carry out the requirements of the Corporation.

They shall immediately notify either the Deputy Principal – Finance and Resources or the Director of Finance whenever any matter arises which involves, or is thought to involve, irregularities concerning, inter alia, cash or property of the college. The Deputy Principal – Finance and Resources shall take such steps as they consider necessary by way of investigation and report.

7. Risk Management

Risk management can be defined as 'coordinated activities to direct and control an organisation with regard to risk'.

- 7.1 The college acknowledges the risks inherent in its business, and is committed to managing those risks that pose a significant threat to the achievement of its business objectives and financial health. Detailed guidance on the level of risk considered to be acceptable/unacceptable by the college will be set out in a separate risk management strategy.
- 7.2 The Corporation has overall responsibility for ensuring there is a risk management strategy and a common approach to the management of risk throughout the college through the development, implementation and embedment within the organisation of a formal, structured risk management process.
- 7.3 In line with this policy, the Corporation requires that the risk management strategy and supporting procedures include:
 - The adoption of common terminology in relation to the definition of risk and risk management
 - The establishment of college-wide criteria for the measurement of risk, linking the threats to their potential impact and the likelihood of their occurrence together with a sensitivity analysis
 - A decision on the level of risk to be accepted, together with tolerance levels expressed in terms of measurable outcomes (see above)
 - A decision on the level of risk to be covered by insurance (see 22.1)
 - Detailed regular review at department level to identify significant risks associated with the achievement of key objectives and other relevant areas
 - Development of risk management and contingency plans for all significant risks, to include a designated 'risk owner' who will be responsible and accountable for managing the risk in question

- Regular reporting to the Corporation of all risks above established tolerance levels
- An annual review of the implementation of risk management arrangements and the capability for independent verification.

8. Whistleblowing

- 8.1 Whistleblowing in the context of the Public Interest Disclosure Act is the disclosure by an employee (or other party – see Appendix D) about malpractice in the workplace. A whistle-blower can blow the whistle about crime, civil offences (including negligence, breach of contract, etc.), miscarriage of justice, danger to health and safety or the environment or breach of the financial regulations and the cover-up of any of these. It does not matter whether or not the information is confidential and the whistleblowing can extend to malpractice occurring in the UK and any other country or territory.
- 8.2 Normally, any concern about a workplace matter at the college should be raised with the relevant member of staff's immediate line manager or Director of department. However, the college recognises that the seriousness or sensitivity of some issues, together with the identity of the person the member of staff thinks may be involved, may make this difficult or impossible.
- 8.3 A member of staff may, therefore, make the disclosure to one of the staff designated for this purpose, for example the Clerk of the Corporation. If the member of staff does not wish to raise the matter with this person, or with the Principal or the Chair of the Corporation, it may be raised with the Chair of the Audit Committee.
- 8.4 The full procedure for whistleblowing is set out in the college's Whistleblowing policy, which is available from the Clerk of the Corporation. Further details of the Public Interest Disclosure Act are set out at Appendix D.

9. Code of Conduct

- 9.1 The college is committed to the highest standards of openness, integrity and accountability. It seeks to conduct its affairs in a responsible manner, having regard to the principles established by the Committee on Standards in Public Life (formerly known as the Nolan Committee), which Corporation members and members of staff at all levels are expected to observe. These principles are set out at Appendix E. In addition, the college expects that staff at all levels will observe its code of conduct, contained in its detailed financial procedures, which covers:
- Probity and propriety
 - Selflessness, objectivity and honesty
 - Relationships.
- 9.2 Corporation members are also charity Trustees and as such are subject to obligations imposed by charity law. Their dual role may introduce potential conflicts of interest which they will need to manage appropriately.
- 9.3 Additionally, members of the Corporation, senior management or those involved in procurement are required to disclose interests in the college's register of interests maintained by the Clerk (or other designated officer). They will also be responsible for ensuring that entries in the register relating to them are kept up

to date regularly and promptly, as prescribed in the financial procedures.

- 9.4 In particular, no person shall be a signatory to a college contract where he or she also has an interest in the activities of the other party to the contract.

9.5 Receiving gifts or hospitality

The Bribery Act 2010 came into force on 1 July 2011. The Act introduced new offences for acts of bribery by individuals or persons associated with relevant organisations. The penalties are severe for any employee convicted under the Act which could mean a criminal record with ten years imprisonment and unlimited fines. The college's anti-bribery policy statement can be found on InfoPoint.

The guiding principles to be followed by all members of staff must be:

- The conduct of individuals should not create suspicion of any conflict between their official duty and their private interest
- The action of individuals acting in an official capacity should not give the impression (to any member of the public, to any organisation with whom they deal or to their colleagues) that they have been (or may have been) influenced by a benefit to show favour or disfavour to any person or organisation.

Thus, members of staff should not accept any gifts, rewards or hospitality (or have them given to members of their families) from any organisation or individual with whom they have contact in the course of their work that would cause them to reach a position whereby they might be, or might be deemed by others to have been, influenced in making a business decision as a consequence of accepting such hospitality. The frequency and scale of hospitality accepted should not be significantly greater than the college would be likely to provide in return.

When it is not easy to decide between what is and what is not acceptable in terms of gifts or hospitality, the offer should be declined or advice sought from the Deputy Principal – Finance and Resources or the Director of Finance. Guidance on acceptable hospitality is contained in the detailed Gifts and Hospitality policy. For the protection of those involved, the Director of Finance (or other designated officer) will maintain a register of gifts and hospitality received where the value is in excess of £25. Members of staff in receipt of such gifts or hospitality are obliged to notify the Director of Finance (or other designated officer) promptly.

C. Financial Management and Control

10. Financial Planning

- 10.1 The Deputy Principal – Finance & Resources is responsible for preparing annually a rolling three-year financial plan for approval by the Corporation on the recommendation of the Finance and Resources Committee and for preparing financial forecasts for submission to the funding body. Financial plans should be consistent with the strategic plans and approved by the Corporation.

10.2 Budget objectives

The Corporation will, from time to time, set budget objectives and key financial performance indicators for the college. These will help the Deputy Principal – Finance & Resources in preparing his or her more detailed financial plans for the College.

10.3 Resource allocation

Resources are allocated annually by the Corporation on the recommendation of the Finance and Resources Committee, and on the basis of the above objectives. Directors of department are responsible for the economic, effective and efficient use of resources allocated to them.

10.4 Budget preparation

The Deputy Principal – Finance & Resources is responsible for preparing each year an annual revenue and capital budget for consideration by the Finance and Resources Committee before submission to the Corporation. The budget should also include monthly cash flow forecasts for the year and a projected year-end balance sheet.

The Deputy Principal – Finance & Resources must ensure that detailed budgets are prepared in order to support the resource allocation process and that these are communicated to Directors of department as soon as possible following their approval by the Corporation.

During the year, the Deputy Principal – Finance & Resources is responsible for submitting revised budgets to the Finance and Resources Committee for consideration before submission to the Corporation for approval.

10.5 Capital programmes

The capital programme includes all expenditure on land, buildings, equipment, furniture and associated costs whether or not they are funded from capital grants or capitalised for inclusion in the college's financial statements. Individual items of expenditure of this type in excess of £100,000 can only be considered as part of the capital programme or project bid approved by the Corporation.

The Deputy Principal – Finance & Resources will establish protocols for the inclusion of capital projects in the capital programme for approval by the Corporation. These will set out the information that is required for each proposed project as well as the financial criteria that they are required to meet. They are summarised at Appendix F and are shown in more detail in financial procedures.

The Deputy Principal – Finance & Resources will also establish procedures for the approval of variations, including the notification of large variations to the funding body, as laid down in funding body guidelines.

The Deputy Principal – Finance & Resources is responsible for providing regular statements concerning all capital expenditure to Finance and Resources Committee for monitoring purposes.

Following completion of a capital project, a post-project evaluation or final report should be submitted to the Finance and Resources Committee including actual expenditure against budget and reconciling funding arrangements where a variance has occurred as well as other issues affecting completion of the project. Post-project evaluations may also need to be sent to the relevant funding body, as laid down in funding body guidelines.

10.6 Overseas activity

In planning and undertaking overseas activity, the college must have due regard to the relevant guidelines issued by the funding body.

10.7 Other major developments

Any new aspect of business, or proposed establishment of a company or joint venture, which will require an investment in buildings, resources or staff time should be presented for approval to the Finance and Resources Committee. The college must have due regard to the relevant guidelines issued by the funding body.

The Deputy Principal – Finance & Resources will establish protocols for these major developments to enable them to be considered for approval by the Corporation. These will set out the information that is required for each proposed development including a business plan, using a risk based approach and covering risk and accountability issues as well as the financial criteria that they are required to meet. They are summarised at Appendix G and are shown in more detail in financial procedures.

11. Financial Control

11.1 Budgetary control

The ultimate responsibility for the budgetary control system rests with the Principal who shall be assisted in this responsibility by the Deputy Principal – Finance & Resources.

The control of income and expenditure within an agreed budget is the responsibility of the designated budget holder, who must ensure that day-to-day monitoring is undertaken effectively. Budget holders are responsible to their appropriate Manager for the income and expenditure appropriate to their budget.

Significant departures from agreed budgetary targets must be reported immediately to their appropriate Director by the budget holder concerned and, if necessary, reported to the Director of Finance, who would then inform the relevant Executive Leadership Team member to ensure corrective action is taken.

Managers do not have authority to spend in excess of their allocated budgets and must take all reasonable steps to ensure this does not happen. Failure to adhere to this may result in disciplinary action being taken.

11.2 Financial information

The budget holders are assisted in their duties by management information provided by the Director of Finance and other key contacts in the Finance department. The types of management information available to the different levels of management are described in the detailed financial procedures, together with the timing at which they can be expected.

The Deputy Principal – Finance & Resources is responsible for supplying budgetary reports on all aspects of the college's finances to the Finance and Resources Committee on a basis determined by this Committee but subject to any specific requirements of the funding body. The relevant extracts from the overall position are reported to each committee so that they are aware of their own financial performance against budget. These reports are presented to the Corporation, which has overall responsibility for the college's finances.

11.3 Changes to the approved budget

Supplementary estimates for additional expenditure should be balanced by the availability of additional income.

During the year, the Deputy Principal – Finance & Resources is responsible for submitting revised budgets to the Finance and Resources Committee for consideration before submission to the Corporation for approval.

11.4 Virement

Where a budget holder is responsible for more than one budget, virement is permitted of up to 10% of the budget from which virement is sought with the written prior approval from the Director of Finance and the Director of their department.

Virement between budgets held by different budget holders is permitted up to 10% of the budget from which the virement is sought with the written approval of the transferring budget holder and the receiving budget holder.

The Deputy Principal – Finance & Resources is responsible for submitting requests for virement of resources above 10% (only if they impact any figures which are normally presented to the Corporation) to the Finance and Resources Committee before submission to the Corporation for approval. Virements above 10% which do not impact figures reported to the Corporation can be approved by the Deputy Principal – Finance & Resources.

11.5 Treatment of year end balances

At the year end, budget holders will not normally have the authority to carry forward a balance on their budget to the following year unless the Finance and Resources Committee has approved a specific scheme for carrying forward all or part of unspent amounts. Specific departmental consumables and equipment account balances may be carried forward with the approval of the Finance and Resources Committee.

12. Accounting Arrangements

12.1 Financial year

The college's financial year will run from 1 August until 31 July the following year.

12.2 Basis of accounting

The consolidated financial statements are prepared on the historical cost basis of accounting and in accordance with applicable accounting standards.

12.3 Format of the financial statements

The financial statements are prepared in accordance with the Statement of Recommended Practice *Accounting for Further and Higher Education*, subject to any specific requirements of the funding body, and in accordance with the provisions of the Companies Act 2006, if that is appropriate.

12.4 Capitalisation and depreciation

New land and buildings will be recorded in the balance sheet at actual build or acquisition cost, except where they are received as gifts, where they will be recorded at depreciated replacement value. Buildings will be depreciated in equal instalments over their estimated remaining useful life. Land will not be depreciated.

Expenditure incurred on repair, refurbishment or extension of existing buildings will not be capitalised unless it can be demonstrated that the resultant value of the building, on the basis of depreciated replacement value, is greater than the current book value.

Expenditure incurred on the acquisition of assets other than land and buildings will be recorded in the balance sheet where the acquisition cost per item/ project is £1,000 or more (£250 for IT equipment). Capitalised assets other than land and buildings will be depreciated over a period of 3- 10 years commencing in the year following acquisition.

12.5 Accounting records

The Deputy Principal -Finance & Resources is responsible for the retention of financial documents. These should be kept in a form that is acceptable to the relevant authorities.

The college is required by law to retain prime documents for six years. These include:

- Official purchase orders
- Paid invoices
- Accounts raised
- Bank statements

- Copies of receipts
- Paid cheques
- Payroll records, including part-time lecturers' contracts.

The Deputy Principal -Finance & Resources will make appropriate arrangements for the retention of electronic records.

Additionally, for auditing and other purposes, other financial documents should be retained for three years or as determined by the funder.

Members of staff should ensure that retention arrangements comply with any specific requirements of funding organisations such as local enterprise partnerships/local authorities.

12.6 Public access

Under the terms of the financial memorandum, the Corporation is required to supply any person with a copy of the college's most recent financial statements within two months of a request. The Act enables the Corporation to levy a reasonable fee and this will be charged at the discretion of the Deputy Principal - Finance & Resources. The college will also allow members of the public to inspect the statement of accounts during normal working hours and make a summary available on the college's website.

12.7 Taxation

The Deputy Principal -Finance & Resources is responsible for advising Directors of department, in the light of guidance issued by the appropriate bodies and relevant legislation as it applies, on all taxation issues, to the college. Therefore the Deputy Principal -Finance & Resources will issue instructions to departments on compliance with statutory requirements including those concerning VAT, PAYE, national insurance, corporation tax and import duty.

The Deputy Principal -Finance & Resources is responsible for maintaining the college's tax records, making all tax payments, receiving tax credits and submitting tax returns by their due date as appropriate.

13. Audit Requirements

13.1 General

External auditors and internal auditors shall have authority to:

- Access college premises at reasonable times
- Access all assets, records, documents and correspondence relating to any financial and other transactions of the college
- Require and receive such explanations as are necessary concerning any matter under examination
- Require any employee of the college to account for cash, stores or any other college property under his or her control
- Access records belonging to third parties, such as contractors, when required.

The Deputy Principal – Finance & Resources is responsible for drawing up a timetable for final accounts purposes and will advise staff and the external auditors accordingly.

Following consideration by the Finance and Resources Committee, the financial statements should be reviewed by the Audit Committee. On the recommendation of the Finance and Audit committees they will be submitted to the Corporation for approval.

13.2 External audit

The appointment of external auditors for the main financial statements of the college will take place annually and is the responsibility of the Corporation. The Corporation will be advised by the Audit Committee. A competitive tendering exercise will be held at regular intervals, at least every five years in accordance with the College's Financial Handbook

The primary role of this external audit is to report on the college's financial statements and to carry out such examination of the statements and underlying records and control systems as are necessary to reach their opinion on the statements and to report on the appropriate use of funds. Their duties will be in accordance with advice set out in the funding body's Financial Handbook and the Auditing Practices Board's statements of auditing standards.

The external auditor must also perform the role of reporting accountant and will provide a conclusion on regularity in accordance with a separate engagement to the opinion on the accounts, the scope of which is set out in the College's Financial Handbook.

13.3 Internal audit

The Corporation, on the advice of the Audit Committee, will consider the need for an internal audit service as part of a wider assurance framework. An internal auditor will be appointed by the Corporation on the recommendation of the audit committee. An internal audit service remains independent in its planning and operation but has direct access to the governing body, the principal and the chair of the audit committee. The formal responsibilities of internal audit are detailed at Appendix H.

13.4 Fraud and corruption

It is the duty of all members of staff, management and the Corporation to notify the Deputy Principal – Finance & Resources immediately whenever any matter arises which involves, or is thought to involve, irregularity, including fraud, corruption or any other impropriety. The Deputy Principal – Finance & Resources shall immediately invoke the fraud response plan.

The college has a counter-fraud strategy (fraud policy) and fraud response plan which must be adhered to.

13.5 Value for money

It is a requirement of the financial memorandum that the Corporation of the college is responsible for delivering value for money from public funds. It should keep under review its arrangements for managing all the resources under its control, taking into account guidance on good practice issued from time to time by the funding body, the National Audit Office, the Public Accounts Committee or other relevant bodies.

Internal audit, if appointed, is to have regard to value for money in its programme of work. This will be used to enable the Audit Committee to refer to value for money in its annual report.

13.6 Other auditors

The college may, from time to time, be subject to audit or investigation by external bodies such as the funding body, DfE, HM Treasury, National Audit Office, HM Revenue and Customs and they have the same rights of access as external and internal auditors.

14. Treasury Management

14.1 Treasury management policy

The Finance and Resources Committee is responsible for approving a treasury management policy statement (based on CIPFA's Treasury Management in the Public Services Code of Practice and Cross Sectoral Guidance Notes and sector specific guidance) setting out a strategy and policies for cash management, long-term investments and borrowings. This will require compliance with funding body rules regarding approval for any secured or unsecured loans that go beyond the general consent levels set out in the financial memorandum. The Finance and Resources Committee has a responsibility to ensure implementation, monitoring and review of such policies.

All executive decisions concerning borrowing, investment or financing (within policy parameters) shall be delegated to the Deputy Principal – Finance & Resources and an appropriate reporting system set up. All borrowing shall be undertaken in the name of the college and shall conform to any relevant funding body requirements. The Deputy Principal – Finance & Resources and his or her staff are required to act in accordance with CIPFA's *Code of Practice*.

Any new private sector borrowing or amendments to existing private sector borrowing require prior written consent from the Department for Education 'DfE'.

The Deputy Principal – Finance & Resources will report to the Finance and Resources Committee termly in each financial year on the activities of the treasury management operation and on the exercise of treasury management powers delegated to him or her.

The College will pursue a prudent and 'no risk' policy of investment of surplus funds by placing money on guaranteed terms on the money market.

14.2 Appointment of bankers and other professional advisers

The Corporation is responsible for the appointment of the college's bankers and other professional financial advisers (such as investment managers) on the recommendation of the Finance and Resources Committee. The appointment shall be for a specified period after which consideration shall be given by the Finance and Resources Committee to competitively tendering the service.

14.3 Banking arrangements

The Deputy Principal – Finance & Resources is responsible, on behalf of the Finance and Resources Committee, for liaising with the college's bankers in relation to the college's bank accounts.

Only the Deputy Principal – Finance & Resources may open or close a bank account for dealing with the college's funds. All bank accounts shall be in the name of the college or one of its subsidiary companies.

All cheques drawn on behalf of the college must be signed in the form approved by the Finance and Resources Committee. All cheques must be signed by two authorised persons, of which one must be that of an authorised member of staff in the Finance department.

All automated transfers on behalf of the college, such as BACS or CHAPS, must be authorised in the appropriate manner and on the basis approved by the Finance and Resources Committee. Details of authorised persons and limits shall be provided for in the college's detailed financial procedures.

The Deputy Principal – Finance & Resources is responsible for ensuring that all bank accounts are subject to regular reconciliation and that large or unusual items are investigated as appropriate.

14.4 Amendments to existing borrowing

If outside the scope of MPM and which do not incur a fee by the lender, amendments can be agreed as above. Examples include but are not limited to:

- providing periodic standard written representations to lenders
- changes to financial and non-financial covenants
- changes to standard clauses following underlying legislation changes.

Consent must be sought from DfE for amendments which may be within scope of MPM. Examples include but are not limited to:

- changes relating to the term of a loan
- repayment profile change
- interest rate change outside of the existing agreement terms, including any move between a variable and a fixed interest rate
- providing additional security.

15. Income

15.1 General

Income will be accounted for under the accruals concept as it is earned and only if there is a reasonable certainty that it will be received.

The Deputy Principal – Finance & Resources is responsible for ensuring that appropriate procedures are in operation to enable the college to receive all income to which it is entitled.

All receipt forms, invoices, tickets or other official documents in use and electronic collection systems must have the prior approval of the Deputy Principal – Finance & Resources.

Levels of charges for contract research, services rendered, goods supplied and rents and lettings are determined by procedures approved by the Finance and Resources Committee, and are approved by the Corporation.

The Deputy Principal – Finance & Resources is responsible for the prompt collection, security and banking of all income received.

The Deputy Principal – Finance & Resources is responsible for ensuring that all grants notified by the funding body and other bodies are received and appropriately recorded in the college's accounts.

The Deputy Principal – Finance & Resources is responsible for ensuring that all claims for funds, including research grants and contracts, are made by the due date.

15.2 Maximisation of income

All areas of the college will be actively encouraged and supported to identify and explore additional activity which will maximise income. Areas of activity will focus on but will not be restricted to:

- Commercial Activity
- Conferencing
- Facilities rental
- Full cost recovery
- Incubation Units
- Hot Desk Facilities

It is the responsibility of all staff to ensure that revenue to the college is maximised by the efficient application of agreed procedures for the identification, collection and banking of income. In particular, this requires the prompt notification, to the Deputy Principal – Finance & Resources or the Director of Finance, of sums due so that collection can be initiated.

15.3 Receipt of cash, cheques and other negotiable instruments

All monies received within departments from whatever source must be recorded by the department on a daily basis together with the form in which they were received, for example cash, cheques and other negotiable instruments.

All monies received must be paid to the finance department promptly, and in accordance with a timetable prescribed by the Director of Finance and set out in financial procedures. The custody and transit of all monies received must comply with the requirements of the college's insurers.

All sums received must be paid in and accounted for in full, and must not be used to meet miscellaneous departmental expenses or be paid into the departmental petty cash float. Personal or other cheques must not be cashed out of money received on behalf of the college.

Receipts by credit or debit card: the college can receive payments by debit or credit card over the telephone or approved locations using merchant terminals provided by the college's banker.

These terminals support primary account number (PAN) truncation where the card number is partially obscured on the customer receipt. A copy of the receipt should be retained to support evidence of payment.

In operating this facility, the college is bound to the Payment Card Industry Data Security Standard (PCI DSS), which is designed to ensure cardholder information is stored, processed and transmitted securely.

The Deputy Principal – Finance and Resources is responsible for ensuring the college maintains PCI DSS compliance, which is monitored by the bank's merchant services unit.

Internet receipts: The college offers an online payment facility to students and staff for secure payment of catering monies, locker monies and trip monies.

Access is via secure login through the college portal. Once a successful payment has been made, a receipt will be generated electronically to the email address specified when lodging the cardholder details. The receipt should be retained to support evidence of payment.

In operating this facility the college is subject to continuous risk assessment and annual review by the external service provider.

15.4 Collection of debts

The Deputy Principal – Finance and Resources should ensure that:

- Debtors invoices are raised promptly on official invoices, in respect of all income due to the college
- Invoices are prepared with care, recorded in the ledger, show the correct amount due and are credited to the appropriate income account
- Any credits granted are valid, properly authorised and completely recorded
- VAT is correctly charged where appropriate, and accounted for
- Monies received are posted to the correct debtors account
- Swift and effective action is taken in collecting overdue debts, in accordance with the protocols noted in the financial procedures
- Outstanding debts are monitored and reports prepared for management.

- Only the Deputy Principal – Finance & Resources or Director of Finance can implement credit arrangements and indicate the periods in which different types of invoice must be paid.
- Consent from the DfE must be sought in the following circumstances:
 - Any individual write-off that exceeds £45,000 or 1% of annual income (whichever is smaller)
 - Cumulative write-offs within the academic year which exceed £250,000 or 5% of annual income (whichever is smaller).

15.5 Student fees

The procedures for collecting tuition and residence fees must be approved by the Deputy Principal – Finance & Resources. He or she is responsible for ensuring that all student fees due to the college are received.

Any student who has not paid an account for fees or any other item owing to the college shall not receive the certificate for any degree, diploma or other qualification awarded by the college until all outstanding debts have been cleared. Such students shall be prevented from re-enrolling at the college and from using any of the college's facilities unless appropriate arrangements have been made.

15.6 Refunds

The college seeks to minimise the opportunities for money laundering in accordance with the Money Laundering Regulations 2007. Where refunds are required, they should be made to the original payer and follow the method by which the money was received. For further information, see the college's policy on bribery and money laundering.

15.7 Student loans

Appropriate records will be maintained to support all transactions involving student loans.

15.8 Emergency/hardship loans

The college's scheme for emergency/hardship loans must be approved by the Corporation. This will include the maximum assistance that can be given in any individual case. Under no circumstances should payments be made other than in accordance with the approved scheme.

The Deputy Principal – Finance & Resources is responsible for ensuring the adequacy of the systems in place for:

- Approving loans in accordance with the scheme
- Paying loans that have been approved
- Recovering loans that have been paid.

16. Other Income-Generating Activity

16.1 Private consultancies and other paid work

Unless otherwise stated in a member of staff's contract:

- outside consultancies or other paid work may not be accepted without the consent of the relevant Executive Leadership Team member (and in the case of an Executive Leadership Team member, the Principal)
- applications for permission to undertake work as a purely private activity must be submitted to the Director of department or relevant Executive Leadership Team member, as appropriate, and include the following information:
 - the name of the member(s) of staff concerned
 - the title of the project and a brief description of the work involved
 - the proposed start date and duration of the work
 - full details of any college resources required (for the calculation of the full economic cost)
 - an undertaking that the work will not interfere with the teaching and normal college duties of the member(s) of staff concerned.

16.2 Short courses and services rendered

In this context a short course is any course which does not form part of the award-bearing teaching load of the department.

Any staff wishing to run a short course must have the permission of his or her Director of department and the Assistant Principal, Quality and MIS. The course organiser will be responsible to the Director of department for day-to-day management of the course.

The term 'services rendered' includes testing and analysis of materials, components, processes and other laboratory services or the use of existing facilities in order to gain additional information.

16.3 Subcontracting arrangements

Any contract or arrangement whereby the college provides education to students away from college premises, or with the assistance of persons other than the college's own staff or with independent contractors (partner organisations), must be subject to the following procedure.

There shall be a contract signed by the Principal or Deputy Principal – Finance & Resources and on behalf of any partner organisation that shall comply at least with the funding body model contract (as amended from time to time) in place before any provision is made.

Contracts for significant changes (greater than £100,000 variation) in subcontracting activity shall be approved in advance by the Corporation. The form of the contract should be consistent with the funding body model contract.

The impact of the contract(s) shall be subject to scrutiny by the Corporation.

The format for regular reports shall be as stated in funding body guidance. They shall consider the risk factors associated with the proposed partnership and agree an appropriate entry in the college's financial forecast.

Where the partnership would represent a significant departure from the college's strategic plan, the Corporation shall approve the departure, and the Principal shall seek the views of and inform the funding body.

16.4 Other projects and other matched funding

Any such project requires the approval of the appropriate officer prior to any commitment being entered into. Such approval shall be dependent upon the relevant Director of department being able to demonstrate that eligible matching funds are available and that the project is financially viable by the application of the college's costing and pricing policy.

Project applications less than £100,000 in value require approval by ELT. Individual applications for funds in excess of £100,000 shall be the subject of a report by the Principal to the Corporation which will set out, amongst other things, the potential risks generated by the project. If the application deadline is prior to the next Corporation meeting the bid will be approved by the Chair of Corporation and reported to the next Corporation meeting as a Chair's action.

If the college sub-contracts such work to external providers, the relevant Director of department shall ensure that:

- This is on the basis of a written contract which allows for full audit access to detailed records
- Appropriate monitoring procedures are in place to ensure that the outputs are achieved and the provision is of suitable quality
- Payments are only made against detailed invoices.

16.5 Profitability and recovery of overheads

All other income-generating activities must be self-financing or surplus-generating unless it is intended that a new course is to be launched as a loss leader. If that is the case, the reason for it must be specified and agreed by the relevant Executive Leadership Team member and the Deputy Principal – Finance & Resources.

Other income-generating activities organised by members of staff must be costed and agreed with the Deputy Principal – Finance and Resources before any commitments are made. Provision must be made for charging both direct and indirect costs in accordance with the college's costing and pricing policy, in particular for the recovery of overheads.

16.6 Deficits

Any unplanned deficits incurred on other income-generating activities will be charged to departmental funds.

16.7 Additional contributions to departments

Distribution of profits on other income-generating activity between central funds of the college and individual departments will be in accordance with the policy approved by the Finance and Resources Committee.

16.8 Additional payments to staff

Any proposal that involves additional payments to members of staff should be supported by a schedule of names and values and must be approved by the relevant Executive Leadership Team member and the Deputy Principal – Finance & Resources, and in the case of an Executive Leadership Team member, the Principal.

17. Intellectual Property Rights and Patents

17.1 General

Certain activities undertaken within the college including research and consultancy may give rise to ideas, designs and inventions which may be patentable. These are collectively known as intellectual property.

17.2 Patents

The Finance and Resources Committee is responsible for establishing procedures to deal with any patents accruing to the college from inventions and discoveries made by staff in the course of their research.

17.3 Intellectual property rights

In the event of the college deciding to become involved in the commercial exploitation of inventions and research, the matter should then proceed in accordance with the intellectual property procedures issued by the college and contained in the college's detailed financial procedures.

18. Expenditure

18.1 General

The Deputy Principal – Finance and Resources is responsible for making payments to suppliers of goods and services to the college.

The college must ensure that spending has been for the purpose intended, there is propriety in the use of college funds and spending decisions represent value for money.

18.2 Scheme of delegation/financial authorities

The Director of department is responsible for purchases within his or her department. Purchasing authority may be delegated to named individuals within the department. In exercising this delegated authority, budget holders are required to observe the purchasing policies and financial procedures. The Director of Finance shall maintain a register of authorised signatories and

Directors of department must supply him or her with specimen signatures of those authorised to certify invoices for payment (for paper-based systems). Under procedures agreed by the Deputy Principal – Finance and Resources, central control shall be exercised over the creation of requisitions and authorisers and their respective financial limits (for electronic systems).

Any proposed changes to the authorities to commit expenditure must be approved in advance by the Deputy Principal – Finance and Resources.

Directors of department and budget holders are not authorised to commit the college to expenditure without first reserving sufficient funds to meet the purchase cost.

The member of staff (or budget holder) authorising the invoice for payment must be different from the member of staff responsible for signing the purchase order form.

Expenditure in excess of £10,000 shall require the approval of the Deputy Principal – Finance & Resources. Expenditure on items in excess of £50,000 shall require the approval of the Principal and expenditure over £100,000 should be approved by the Finance and Resources Committee, with the exception of those items already approved by Finance and Resources Committee/Corporation within a project/capital bid. The Deputy Principal – Finance and Resources has authority to approve invoice payments to awarding bodies up to £100,000.

18.3 Procurement

The college requires all budget holders, irrespective of the source of funds, to obtain supplies, equipment and services at the lowest possible cost consistent with quality, delivery requirements, sustainability and equality legislation, and in accordance with sound business practice taking into account framework agreements as appropriate. Factors to be considered in determining lowest cost are noted in the financial procedures.

The Purchasing Officer is responsible to the Director of Finance and the Deputy Principal – Finance and Resources for:

- Ensuring that the college's purchasing policy is known and observed by all involved in purchasing for the college
- Advising on matters of college purchasing policy and practice
- Advising and assisting departments where required on specific departmental purchases
- Developing appropriate standing supply arrangements on behalf of the college to assist budget holders in meeting their value for money obligations
- Vetting all orders before they leave the college
- The drafting and negotiation of all large-scale purchase contracts (generally in excess of £50,000) undertaken by the college, in collaboration with the responsible department
- Ensuring that the college complies with public sector procurement regulations.

18.4 Purchasing policy

Purchasing policy shall seek to achieve the best value for money for the College. All factors affecting the total cost of acquisition will be considered before letting contracts to suppliers. In particular not only the price of purchase will be considered but also delivery charges; installation and commissioning costs; warranty/guarantee; cost of consumables; maintenance cost; life expectancy of equipment. Furthermore contractual conditions will also be assessed to ensure that the College does not incur any onerous requests from suppliers; payments in advance; limited insurance cover for liability or damages; terms for payments; fairness of price.

18.5 Suppliers

The College maintains an Approved Supplier List which is kept by the Purchasing Officer. Orders may only be placed with suppliers from the Approved Supplier List. New suppliers may only be added by authorisation by the Purchasing Officer.

18.6 Purchase orders

The ordering of goods and services shall be in accordance with the college's detailed financial procedures/purchasing policies.

Official college orders must be placed for the purchase of all goods or services, except those made using purchasing cards, company credit cards or petty cash. In exceptional circumstances, urgent orders may be given orally, but must be confirmed by an official purchase order endorsed 'confirmation order only' not later than the following working day.

When transferring goods or services between departments, an interdepartmental transfer form must be used.

It is the responsibility of the Deputy Principal – Finance and Resources (through the college's Purchasing Officer) to ensure that all purchase orders refer to the college's conditions of contract (see 18.8 and Appendix I).

18.7 Purchasing cards

The operation and control of the college's purchasing cards is the responsibility of the Deputy Principal – Finance and Resources.

Holders of purchasing cards must use them only for the purposes for which they have been issued and within the authorised purchase limits. Such cards shall be used for the payment of valid business expenses only and the misuse of such cards shall be ground for disciplinary action. Cards must not be loaned to another person, nor should they be used for personal or private purchases. Cardholders should obtain approval to purchase from the relevant budget holder and should ensure that there is sufficient budget available to meet the costs. The Deputy Principal – Finance and Resources shall determine what information is required on purchases made with purchasing cards from cardholders and deadlines for receipt in the Finance department to enable financial control to be

maintained. Cardholders must provide the information required. There should be appropriate segregation of duties, with those reviewing and reconciling cards not holding and using those cards.

Details of the operation of the scheme can be found in the financial procedures manual.

18.8 Tenders and quotations

Directors of departments and delegated budget holders must comply with the College's tender procedures contained in the colleges code of tendering practice, which are applicable as follows

Value (£)	FACILITIES and IT INFRASTRUCTURE	Other
<£10k	VFM	VFM
10-20k	VFM	3 quotes or Deputy Principal: Finance and Resources approval
20-50k	2 quotes or Deputy Principal: Finance and Resources approval	4 quotes or Deputy Principal: Finance and Resources approval
50k-£100k	3 quotes or Principal approval	5 quotes or Principal approval

Purchases using an approved supplier from the following frameworks (the Crescent Purchasing Consortium ('CPC'), NHS SBS framework, Crown Commercial Service, Everything ICT and any other DFE approved procurement framework for colleges, schools and trusts), and payments in relation to pension schemes and partnership arrangements for the supply of goods or services specifically approved by the Finance and Resources Committee or the Corporation will fall outside these arrangements for tenders and quotations.

The main points covered by the college's code of tendering practice are described at Appendix J and may be subject to special rules imposed by funding bodies.

Building Works – The letting of contracts for building works and their associated services and trades (including maintenance of building fabric) shall be the responsibility of the Deputy Principal – Finance & Resources and the Director of Facilities. The Director of Facilities will seek quotations, tenders or written contracts from approved suppliers. Such suppliers will be reported to the Deputy Principal – Finance & Resources, who will, where appropriate, make use of standard building industry contracts.

Formal tendering procedures may be waived in the following circumstances:

- In very exceptional circumstances where the Deputy Principal Finance & Resources decides that formal tendering procedures would not be practicable,

- Where the timescale genuinely precludes competitive tendering but failure to plan the work properly would not be regarded as a justification for a single tender;
- There is a clear benefit to be gained from maintaining continuity with an earlier project. However, in such cases the benefits of such continuity must outweigh any potential financial advantage to be gained by competitive tendering;

The Deputy Principal Finance & Resources or the Director of Finance will ensure that any fees paid are reasonable and within commonly accepted rates for the costing of such work.

The waiving of competitive tendering procedures should not be used to avoid competition or for administrative convenience or to award further work to a consultant originally appointed through a competitive procedure.

Where it is decided that competitive tendering is not applicable and should be waived, the fact of the waiver and the reasons should be documented and recorded in an appropriate College record and reported to the Finance & Resources Committee at each meeting.

18.9 Post-tender negotiations

Post-tender negotiations (i.e. after receipt of formal tenders but before signing of contracts) with a view to improving price, delivery or other tender terms can be entered into, provided:

- It would not put other tenderers at a disadvantage
- It would not affect their confidence and trust in the college's tendering process.

In each case, a statement of justification should be approved by the Principal prior to the event, showing:

- Background to the procurement
- Reasons for proposing post-tender negotiations
- Demonstration of the improved value for money.

All post-tender negotiations should be reported to the Finance and Resources Committee.

18.10 Contracts

Building contracts are the responsibility of the Finance and Resources Committee and are administered by the college's Director of Facilities. Proposals will normally be initiated by the Director of Facilities in respect of planned replacements, general improvement schemes, space planning or in response to requests from departments.

Consultants may be appointed if the project, as determined by Finance and Resources Committee, is too large or too specialised for Facilities department resources. Appointments shall be subject to tendering and other procedures where appropriate.

Proposals shall be presented in the form of costings or investment appraisals

prepared in conjunction with the Deputy Principal – Finance & Resources as appropriate for Finance and Resources Committee consideration. Investment appraisals should comply with appropriate funding body guidance.

Following consideration by the Finance and Resources Committee and approval by the Corporation, submissions should be forwarded to the funding body where appropriate. If the required agreement is secured from the funding body, funding body procedural rules should be followed. Funding body guidance on best practice should be followed even when funding body approval is not required.

The achievement of value for money will be an objective in the letting of all contracts.

Conditions of contract for the purchase of goods will be followed as described in the college's detailed financial procedures. The main points are described at Appendix J.

Procurement Act 2023

The Purchasing Officer is responsible for ensuring the college complies with its legal obligations concerning the Procurement Act 2023. Procurement rules and thresholds in the Procurement Act 2023 (if the agreement or contract is in scope) and Find A Tender service must be observed.

The Purchasing Officer will advise Directors of departments on the thresholds that are currently in operation. A breach of these regulations is actionable by a supplier or potential supplier.

It is the responsibility of Directors of departments to ensure that their members of staff comply with regulations by notifying the Purchasing Officer of any purchase that is likely to exceed the thresholds. This will need to be done well in advance in order to permit advertisements the Find a Tender Service (FTS).

18.11 Receipt of goods

All goods shall be received at designated receipt and distribution points. They shall be checked for quantity and/or weight and inspected for quality and specification. A delivery note shall be obtained from the supplier at the time of delivery and signed by the person receiving the goods.

All goods received shall be entered onto an appropriate goods received document or electronic receipting system on the day of receipt. If the goods are deemed to be unsatisfactory, the record shall be marked accordingly and the supplier immediately notified so that they can be collected for return as soon as possible. Where goods are short on delivery, the record should be marked accordingly and the supplier immediately notified.

18.12 Payment of invoices

The procedures for making all payments shall be in a form specified by the Deputy Principal – Finance and Resources.

The Deputy Principal – Finance and Resources is responsible for deciding the most appropriate method of payment for categories of invoice. Payments to UK suppliers will normally be made by BACS transfer weekly. In exceptional circumstances the Director of Finance will prepare cheques manually for urgent payments.

Directors of departments are responsible for ensuring that expenditure within their department does not exceed funds available.

Suppliers should be instructed by the budget holder to submit invoices for goods or services to the Finance department.

Care must be taken by the budget holder to ensure that discounts receivable are obtained.

Payments will only be made by the Director of Finance against invoices that have been certified for payment by the appropriate Director of department or authorised signatory.

Certification of an invoice or receipting of an electronic order will ensure that:

- The goods have been received, examined and approved with regard to quality and quantity, or that services rendered or work done is satisfactory
- Where appropriate, it is matched to the order
- Invoice details (quantity, price discount) are correct
- The invoice is arithmetically correct
- The invoice has not previously been passed for payment
- Where appropriate, an entry has been made on a stores record or departmental inventory
- An appropriate cost centre is quoted; this must be one of the cost centre codes included in the budget holder's areas of responsibility and must correspond with the types of goods or service described on the invoice.

18.13 Staff reimbursement

The college's purchasing and payments procedures are in place to enable the majority of non-pay supplies to be procured through the creditors system without staff having to incur any personal expense. However, on occasion, staff may incur expenses, most often in relation to travel, and are entitled to reimbursement (see 19.5).

Where such purchases by staff are planned, the Deputy Principal – Finance & Resources or the Director of Finance may approve cash advances to staff who are going to incur expenditure on the college's behalf. Upon completion of the travel or project to which the advance relates, within one week a final account must be prepared to demonstrate how the advance was disbursed and any unspent balance repaid. Under no circumstances will a second advance be approved when the final accounting for an earlier advance to an individual is still outstanding.

18.14 Petty cash

The Director of Finance shall make available to departments such imprests as he or she considers necessary for the disbursements of petty cash expenses. However, it is important for security purposes that petty cash imprest floats are kept to a minimum. Any float must be reconciled on a regular basis, and at least once per calendar month. A copy of the reconciliation must be forwarded to the Finance Department.

Requisitions for reimbursements must be sent to the Director of Finance, together with appropriate receipts or vouchers, before the total amount held has been expended, in order to retain a working balance pending receipt of the amount claimed.

The member of staff granted a float is personally responsible for its safe-keeping. The petty cash box must be kept locked in a secure place in compliance with the requirements of the college's insurers when not in use and will be subject to periodic checks by the head of department or another person nominated by him or her.

At the end of the financial year a certificate of the balances held should be completed by the member of staff responsible for the float and counter-signed by the Director of department.

18.15 Other payments

Payments for maintenance and other items to students on behalf of sponsoring organisations shall be made on the authority of the Deputy Principal – Finance and Resources, supported by detailed claims approved by the Director of department.

Individual payments under 'outward collaborative provision' contracts shall be authorised by the Deputy Principal – Finance & Resources. This authority shall be on the basis that the payment represents a bona fide element of the contract which has been approved under a scheme set out by the Finance and Resources Committee.

18.16 Late payment rules

The Late Payment of Debts (Interest) Act 1998 was introduced to give small businesses the right to charge interest on late payments from large organisations and public authorities.

Key points are:

- Small businesses can charge interest on overdue invoices
- Interest is chargeable on sales made after 1 November 1998
- The rate of interest is currently 8% per annum above the official daily rate of the Bank of England
- The Act also applies to overseas organisations

- The college can be sued for non-payment.

In view of the penalties in this Act, the Corporation requires that invoices must be passed for payment as soon as they are received.

18.17 Project advances

The Deputy Principal – Finance & Resources or the Director of Finance and the relevant director of department may jointly approve cash advances for projects carried out away from the college where cash expenditure may be unavoidable. Other forms of payment will be expected to be used wherever possible, such as an official purchase order and subsequent payment or a college credit card.

Receipts or paid invoices will be retained for all sums expended in this way. Upon completion of the project to which the advance relates, within one week a final account must be prepared to demonstrate how the advance was disbursed and any unspent balance repaid. Under no circumstances will a second advance be approved when the final accounting for an earlier advance to a project or individual is outstanding.

18.18 Giving hospitality

Staff entertaining guests from outside bodies at lunch time should normally use the college's catering facilities. Where this is not the case, reasons must be stated when submitting a claim for reimbursement.

The limits concerning acceptable expenditure for entertaining guests are set out in the college's detailed financial procedures.

It is an offence under section 7 of the Bribery Act 2010 for commercial organisations to fail to prevent persons associated with them from bribing another person on their behalf. The college's anti-bribery policy statement can be found on Infopoint.

18.19 Telecoms

The college will reimburse staff for the cost of necessary business calls made from a private home phone or personal mobile in performance of employment duties.

The college does not reimburse the cost of private line rental or broadband connections.

The college provides mobile phones to a limited number of employees where there is a genuine business requirement to enable performance of employment duties.

18.20 Provision of clothing

Where clothing is provided to employees whose duties require them to wear a uniform, that clothing must bear an college logo. The logo must be permanent and clearly identify the wearer as a member of staff.

18.21 Payments to volunteers

It is the responsibility of the head of department to ensure that payments made to volunteers are correctly administered. The college allows two types of payment from an approved budget:

- Reimbursement of actual travel costs when fully supported by receipts
- A small gift or thank you payment as long as it is clearly a token of appreciation, not compensation, and there is no sense that those goods, vouchers or cash are expected in advance.

19. Pay Expenditure

19.1 Remuneration policy

All college staff will be appointed to the salary scales approved by the Corporation and in accordance with appropriate conditions of service. All letters of appointment must be issued by the Human Resources department.

The Corporation will determine what other benefits, such as cars, medical and life insurance, are to be available, the basis of their provision (contributory or not) and the staff to whom they are to be available.

Salaries and other benefits for senior management will be determined by the Senior Staff Salaries Committee set up by the Corporation. The College's Senior Post Holder Remuneration Code, developed by the AOC, must be adopted or the reason why it has not should be explained in the annual report and accounts.

Remuneration for appointments at or above £174,000 or performance related pay above £25,000-must have been approved by HM Treasury prior to the post being advertised. For existing staff, approval is required where a pay award of over 6% takes it to or above the threshold.

19.2 Appointment of staff

All contracts of service shall be concluded in accordance with the college's approved human resources practices and procedures and all offers of employment with the college shall be made in writing by the Director of Human Resources. Budget holders shall ensure that the Deputy Principal – Finance and Resources and the Director of Human Resources are provided promptly with all information they may require in connection with the appointment, resignation or dismissal of employees.

19.3 Salaries and wages

The Deputy Principal – Finance and Resources (through the Director of Finance) is responsible for all payments of salaries and wages to all staff including payments for overtime or services rendered. All timesheets and other pay documents, including those relating to fees payable to external examiners, visiting lecturers or researchers, will be in a form prescribed or approved by the Deputy Principal – Finance and Resources.

The Director of Human Resources will be responsible for keeping the Deputy Principal – Finance and Resources and the Director of Finance informed of all matters relating to personnel for payroll purposes. In particular these include:

- Appointments, resignations, dismissals, supervisions, secondments and transfers
- Absences from duty for sickness or other reason, apart from approved leave
- Changes in remuneration
- Information necessary to maintain records of service for superannuation, income tax and national insurance
- Visa checks where relevant in accordance with legislative requirements

The Deputy Principal – Finance and Resources is responsible for payments to non-employees and for informing the appropriate authorities of such payments. All casual and part-time employees will be included on the payroll.

The Deputy Principal – Finance and Resources shall be responsible for keeping all records relating to payroll including those of a statutory nature.

All payments must be made in accordance with the college's detailed payroll financial procedures and comply with Inland Revenue regulations.

19.4 Superannuation schemes

The Corporation is responsible for undertaking the role of employer in relation to appropriate pension arrangements for employees.

The Director of Finance is responsible for day-to-day superannuation matters, including:

- Paying contributions to various authorised superannuation schemes
- Preparing the annual return to various superannuation schemes
- Administering the college's pension fund.

The Director of Human Resources is responsible for administering eligibility to pension arrangements and for informing the Director of Finance when deductions should begin or cease for staff.

19.5 Travel, subsistence and other allowances

The college has dispensation from HM Revenue and Customs to make payments to employees for certain specified items without deduction of income tax.

Reimbursement by the college of expenditure not included in the dispensation is subject to the deduction of income tax before payment.

All claims for payment of subsistence allowances, travelling and incidental expenses shall be completed in a form approved by the Deputy Principal – Finance and Resources.

Claims by members of staff must be authorised by their Manager who is their Budget Holder (or relevant Executive Leadership Team member in the case of Directors of department). The certification by the Budget Holder of department shall be taken to mean that:

- The claim complies with the College's rates, regulations and procedures
- The journeys were authorised
- The expenses were properly and necessarily incurred
- The allowances are correctly calculated and coded
- The claim has not previously been passed for payment
- Consideration has been given to value for money in choosing the mode of transport.

All expense claims must be submitted for payment in the month following travel. The deadline for submission of expense claims to the Finance Department is the **10th of every month.**

Arrangements for travel by the Principal or members of the Corporation shall be approved by the Chair of the Corporation. Arrangements for travel by the Chair shall be approved by the Chair of the Audit Committee.

19.6 Overseas travel

In further education colleges, all arrangements for overseas travel must be approved by the Principal in advance of committing the college to those arrangements or confirmation of any travel bookings. Arrangements for overseas travel by the Principal or members of the Corporation shall be approved by the Chair of the Corporation. Arrangements for travel by the Chair shall be approved by the Chair of the Audit Committee.

Where spouses, partners or other persons unconnected with the college intend to participate in a trip, this must be clearly identified in the approval request. The college must receive reimbursement for the expected costs it may be asked to cover for those persons in advance of confirming travel bookings.

Where the college's equipment is taken overseas, appropriate arrangements for its security and insurance must be in place.

19.7 Allowances for members of the Corporation

Claims for members of the Corporation will be authorised by the Clerk to the Corporation and the Director of Finance. Claims for meeting attendance will be based on out-of-pocket expenses, but only reasonable expenses can be reimbursed.

19.8 Severance, Compensation and other non-recurring payments

Severance payments shall only be made in accordance with relevant legislation and funding body guidance and under a scheme approved by the Corporation through the Finance and Resources Committee. Professional advice should be obtained where necessary. No amounts shall be expended that exceed the budget allocated for the purpose. All such payments shall be authorised by the

Principal and calculations checked by the Director of Human Resources or Director of Finance. Any individual amounts that do not fall within the parameters above require approval by the Finance and Resources Committee. In exceptional circumstances this approval may be given by the Chair of the Finance and Resources Committee in consultation with the Principal, to be reported to the next meeting of the committee. Amounts paid should be declared in the financial statements.

All matters referred to an industrial tribunal shall be notified to the Finance and Resources Committee at the earliest opportunity in order that budget provision may be made as necessary. All determinations of tribunals must be similarly notified.

Consent must be sought from the DfE for any severance payments for individual payments where non-statutory/non-contractual element is over £50,000 before making any binding offer to staff.

Additionally, prior DfE approval must be obtained before making a special staff severance payment where any of the following apply:

- Exit packages which include a special severance payment and are at or above £100,000
- The employee earns over £174,000
- A payment is novel, contentious or repercussive

Confidentiality clauses associated with staff severance payments must not prevent an individual's right to make disclosures in the public interest (whistleblowing) under the Public Interest Disclosure Act 1998. Confidentiality clauses are novel, contentious or repercussive, and so must not be used unless the college has obtained prior DfE approval and must not be used to prevent DfE from obtaining sufficient information from colleges to fully assess such payments under its regulatory role.

Compensation payments provide redress for loss or injury, for example personal injuries, traffic accidents or damage to property. Where the College is considering a compensation of payment of £50,000 or more, DfE's prior approval must be obtained using the DfE contact form.

20. Assets

20.1 Land, buildings, fixed plant and machinery

The purchase, lease or rent of land, buildings or fixed plant can only be undertaken with authority from the Corporation and with reference to funding body requirements where exchequer-funded assets or exchequer funds are involved.

20.2 Fixed asset register

The Deputy Principal – Finance and Resources is responsible for maintaining the college's register of land, buildings, fixed plant and machinery. Directors of departments will provide the Deputy Principal – Finance and Resources with any

information needed to maintain the register.

20.3 Inventories

The Finance Manager is responsible for maintaining inventories, in a form prescribed by the Deputy Principal – Finance and Resources, for all plant, equipment, furniture and stores in each department. The inventory must include items donated or held on trust.

Inventories must be checked at least annually as described in the college's detailed financial procedures.

When transferring equipment, etc. between departments, a transfer record must be kept and the inventories amended accordingly.

20.4 Stocks and stores

Directors of department are responsible for establishing adequate arrangements for the custody and control of stocks and stores within their departments. The systems used for stores accounting in departments must have the approval of the Deputy Principal – Finance and Resources.

Directors of department are responsible for ensuring that regular inspections and stock checks are carried out. Stocks and stores of a hazardous nature should be subject to appropriate security checks.

Those Directors of department whose stocks require valuation in the balance sheet must ensure that the stock-taking procedures in place have the approval of the Deputy Principal – Finance and Resources and that instructions to appropriate staff within their departments are issued in accordance with advice contained in the college's detailed financial procedures.

20.5 Safeguarding assets

Directors of department are responsible for the care, custody and security of the buildings, stock, stores, furniture, cash, etc. under their control. They will consult the Deputy Principal – Finance and Resources in any case where security is thought to be defective or where it is considered that special security arrangements may be needed.

Assets owned by the college shall, so far as is practical, be effectively marked to identify them as college property.

20.6 Personal use

Assets owned or leased by the college shall not be subject to personal use without proper authorisation.

20.7 Asset disposal

Disposal of equipment and furniture must be in accordance with procedures agreed by the Finance and Resources Committee and contained in the college's detailed financial procedures.

Disposal of land and buildings must only take place with the authorisation of the Corporation. Funding body consent may also be required if exchequer funds were involved in the acquisition of the asset.

Proceeds of asset disposals must be ringfenced for capital expenditure in accordance with MPM.

20.8 All other assets

Directors of department are responsible for establishing adequate arrangements for the custody and control of all other assets owned by the college, whether tangible (such as stock – see above) or intangible (such as intellectual property – see section 19), including electronic data.

21. Funds Held on Trust

21.1 General

The Deputy Principal – Finance & Resources is responsible for ensuring that incoming funds are properly classified and designed as appropriate.

21.2 Gifts, benefactions and donations

The Deputy Principal – Finance & Resources is responsible for maintaining financial records in respect of gifts, benefactions and donations made to the college and initiating claims for recovery of tax where appropriate.

21.3 Student welfare and access funds

The Deputy Principal – Finance & Resources will prescribe the format for recording the use of student welfare funds.

Records of access funds will be maintained according to funding body requirements.

21.4 Trust funds

The Deputy Principal – Finance & Resources is responsible for maintaining a record of the requirements for each trust fund and for advising the Finance and Resources Committee on the control and investment of fund balances.

The Finance and Resources Committee is responsible for ensuring that all the college's trust funds are operated within any relevant legislation and the specific requirements for each trust. They will also be responsible for investment of fund balances.

21.5 Voluntary funds

The Deputy Principal – Finance & Resources and the Director of Finance shall

be informed of any fund that is not an official fund of the college which is controlled wholly or in part by a member of staff in relation to their function in the college.

The accounts of any such fund shall be audited by an independent external person and shall be submitted with a certificate of audit to the appropriate body. The Deputy Principal – Finance & Resources or Director of Finance shall be entitled to verify that this has been done.

21.6 Donation of equity shares

When shares are offered by a donor, the development office is responsible for the same due diligence they would normally undertake for a donation of cash. In addition they should ensure:

- The donor is the rightful owner of the donated shares
- The company holding the shares complies with the college's ethical policies.

At the time of the donation, the development office should obtain in writing the purpose of the donation.

All share certificates should be held in the safe.

22. Other

22.1 Insurance

The Deputy Principal – Finance and Resources is responsible for the college's insurance arrangements, including the provision of advice on the types of cover available. As part of the overall risk management strategy (see sections 7.1 to 7.4), all risks will have been considered and those most effectively dealt with by insurance cover will have been identified. This is likely to include important potential liabilities and provide sufficient cover to meet any potential risk to all assets. This portfolio of insurances will be considered and approved by the Finance and Resources Committee on an annual basis.

The Deputy Principal – Finance and Resources is responsible for effecting insurance cover as determined by the Finance and Resources Committee. They are therefore responsible for obtaining quotes, negotiating claims and maintaining the necessary records. The Deputy Principal – Finance & Resources will keep a register of all insurances effected by the college and the property and risks covered. They will also deal with the college's insurers and advisers about specific insurance problems.

Directors of department must ensure that any agreements negotiated within their departments with external bodies cover any legal liabilities to which the college may be exposed. The Deputy Principal – Finance & Resources' advice should be sought to ensure that this is the case. Directors of department must give prompt notification to the Deputy Principal – Finance & Resources of any potential new risks and additional property and equipment that may require insurance and of any alterations affecting existing risks. Directors of department

must advise the Deputy Principal – Finance & Resources immediately of any event that may give rise to an insurance claim. The Deputy Principal – Finance & Resources will notify the college's insurers and, if appropriate, prepare a claim in conjunction with the Director of department for transmission to the insurers.

The Director of Facilities is responsible for keeping suitable records of plant which is subject to inspection by an insurance company and for ensuring that inspection is carried out in the periods prescribed. All staff using their own vehicles on behalf of the college shall maintain appropriate insurance cover for business use.

22.2 Companies and joint ventures and consortium arrangements

In certain circumstances it may be advantageous to the college to establish a company or a joint venture to undertake services on behalf of the college. Any member of staff considering the use of such arrangements should first seek the advice of the Deputy Principal – Finance & Resources, who should have due regard to guidance issued by the funding body.

The Corporation is responsible for ensuring that the required procedures are followed. The process involved in forming a company, joint venture or consortium and arrangements for monitoring and reporting on the activities of these undertakings are documented in the college's financial procedures.

It is the responsibility of the Corporation to establish the shareholding arrangements and appoint directors of companies wholly or partly owned by the college. These and other arrangements will be set out in a memorandum of understanding.

The directors of companies where the college is the majority shareholder must submit, via the Finance and Resources Committee, an annual report to the Corporation. They will also submit business plans or budgets as requested to enable the Committee to assess the risk to the college. The college's internal and external auditors shall also be appointed to such companies.

Where the college is the majority shareholder in a company, the funding body requires that the company's financial year must be consistent with that of the college.

22.3 Security

Keys to safes or other similar containers must be kept securely at all times and should be carried on the person of those responsible at all times. The loss of such keys must be reported to the Director of Facilities immediately.

An officer shall be responsible for maintaining proper security and privacy of information held on the college's computer network. Appropriate levels of security will be provided, such as passwords for networked PCs together with restricted physical access for network servers. Information relating to individuals held on computer will be subject to the provisions of the Data Protection Act 2018 and implementation of the General Data Protection Regulation (GDPR). A

data protection officer shall be nominated to ensure compliance with the Act and the safety of documents although everyone responsible for using personal data has to follow 'data protection principles'.

The Deputy Principal – Finance & Resources is responsible for the safekeeping of official and legal documents relating to the college. Signed copies of deeds, leases, agreements and contracts must be held by the Deputy Principal – Finance & Resources. All such documents shall be held in an appropriately secure, fireproof location and copies held at a separate location.

22.4 Use of the college's seal

Where a deed or document requires the college's seal, it must be sealed by the Chairman or, in his or her absence, the Vice-Chairman, of the Corporation together with that of any other member of the Corporation.

The Clerk is responsible for submitting a report to each meeting of the Corporation detailing the use of the college's seal since the last meeting.

22.5 Provision of indemnities

Any member of staff asked to give an indemnity, for whatever purpose, should consult the Deputy Principal – Finance & Resources or Director of Finance before any such indemnity is given.

Consent from the DfE must be sought for indemnities beyond the normal course of business, guarantees and letters of comfort in excess of:

- 1% of annual income or £45,000 (whichever is smaller) individually; and
- 5% of annual income for cumulative such contingent liabilities (subject to a cumulative ceiling for the academic year of £250,000).

22.6 Novel, contentious and repercussive transactions

Any transactions that may be considered novel, contentious and/or repercussive must be referred to DfE for prior approval. Consent must be sought from DfE.

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

22.7 Ex-gratia, extra contractual, extra statutory or extra regulatory payments

All such payments must be referred to DfE for prior approval. Consent must be sought from DfE.

23. Appendices

Appendix A
Appendix B

Finance and Resources Committee Responsibilities
Audit Committee Terms of Reference

Appendix C	Key Contacts in the Finance Department
Appendix D	Main Features of the Public Interest Disclosure Act 1998
Appendix E	The Seven Principles of Public Life from the Report of the Committee for Standards in Public Life (The Nolan Report)
Appendix F	Summary of Protocols for Proposed Capital Expenditure
Appendix G	Summary of Protocols for Proposed Major Developments
Appendix H	Internal Audit Responsibilities
Appendix I	Fraud Policy
Appendix I	Conditions of Contract for the Purchase of Goods
Appendix J	Main Points included in the College's Code of Tendering Practice
Appendix K	Purchasing Card System User Manual
Appendix L	Treasury Management Policy Statement

Appendix A: Finance and Resources Committee Terms of Reference**1. Purpose**

1.1 The Code of Good Governance for English Colleges outlines the need for Corporations to:

- Adopt a financial strategy and funding plans, which are compatible with the duty to ensure the sustainability and solvency of the College.
- Ensure that effective control and due diligence takes place in relation to all matters including acquisitions, subcontracting and partnership activity.

2. Membership

2.1 The Committee shall consist of at least 3 members. In addition, external individuals may be co-opted.

2.2 All members of the Board will be eligible to serve on the Committee, except for those who are members of the Audit Committee.

2.3 Terms of office of members of the Committee shall last until the expiry of their term of office as a Board member unless he/she has been appointed for a further term of office.

2.4 Co-opted members of the Committee will be appointed by the Board and will hold office for a period of one year, following which they will be eligible for reappointment.

2.5 The Board will review the membership of the Committee from time to time and may make changes as it sees fit.

3. Election of Chair and Vice-Chair

3.1 The Chair and Vice-Chair of the Committee will be selected by the Committee, for a term not exceeding 4 years.

3.2 The retiring Chair and Vice-Chair will be eligible for re-appointment.

3.3 In the absence of both the Chair and Vice-Chair from a meeting, the Committee will appoint another member to act as Chair for that meeting.

4. Frequency of Meetings and Quorum

4.1 The Finance and Resources Committee shall meet at least once a term. Additional meetings may be called as necessary in agreement with the Chair.

4.2 The quorum for meetings of the Committee shall be three members, including co-opted members.

5. Responsibilities of the Committee

5.1 FINANCE

Making recommendations to the Corporation on:

- the approval of the College's financial statements
 - the annual estimates of income and expenditure
 - the five-year financial forecast and other budgets
 - major variations of expenditure
 - capital expenditure requirements, including loans
 - the College's accommodation needs and subsequent strategy
 - reserves and strategic re-investment policy
 - any proposed large capital projects and their financial implications.
 - cash flow forecasts and overall financial performance
 - the financial performance of subcontracted provision
 - approval of the subcontracting policy and arrangements (including approval of subcontracting educational rationale for publication as per guidance requirements)
 -
 - key balance sheet items
 - the review and approval of the financial regulations and procedures
 - all trading subsidiaries' performance, research and consultancy which may be conducted
 - Annual pay review (Pay and Conditions)
 - The College's insurance arrangements
-
- Reviewing arrangements for securing value for money, solvency and safeguarding of assets
 - Approving major variations of the budget
 - Receive and note capital expenditure over £50,000 within the approved programme, and monitoring projects
 - Approving tuition fees and other fees payable policy
 - Approval of HE Fees
 - Determining the College's investment and borrowing policies
 - To receive the management accounts of the college and its active subsidiaries on behalf of the Corporation
 - Approval of the accounts of the dormant subsidiaries: Charles Middleton, Warrington Business School, Warrington 6th Form Academy Ltd, Warrington 6th Form College and Company Plus.
 - To monitor and evaluate the College marketing activity in relation to strategic planning objectives
 - To approve the college's Provision of Bad Debts Policy
 - To approve the college's insurances annually, ensuring that the college has sufficient insurance cover

Note:

- The Corporation shall remain responsible for the approval of the annual estimates of income and expenditure, ensuring the solvency of the Corporation and the safeguarding of its assets.

5.2 HUMAN RESOURCES

- To approve the HR strategy, excluding matters regarding the remuneration of the holders of senior posts which will be dealt with by the Senior Staff Salaries Committee
- To set a framework for the pay and conditions of service for all staff (except senior post holders whose posts will be determined by the Senior Staff Salaries Committee)
- The Committee will consider all issues related to effective and efficient human resource management and development policies and procedures as affecting employees of the Corporation
- To consider and decide upon applications for ex gratia payments. Such payments may be decided upon by the Chairman, on behalf of the Committee, in cases of extreme urgency
- To have oversight of all employment related research and consultancy which may be conducted
- To ensure the promotion of Equal Opportunities throughout the work of the College
- To review annually the fees and terms of the contract for the provision of Clerking services, if the Clerk is employed on a consultancy basis.
- To approve the College's salary scale

5.3 ESTATES

- To review the College's Estates Strategy document, prior to approval by the Corporation.
- To make recommendations to the Corporation on the College's overall Estates Strategy, including the acquisition, disposal or development of land and buildings,
- To review and approve the College's annual long-term maintenance programme.
- To review all lease agreements entered into by the College with third parties, to ensure consistency with the Estates Strategy and Strategic Plan.
- To review bids for external funding which impact upon the College's Accommodation Strategy
- To review College policies on the environment, energy conservation and the supply of utilities.

5.4 COMMERCIAL ACTIVITIES AND STRATEGIC PARTNERSHIPS AFFECTING GLOBAL RESOURCES

To advise the Board of Governors on any matter relating to College Policy and Strategy in relation to the above.

6. Clerking Arrangements

6.1 The Clerk to the Corporation shall act as Clerk to the Committee.

7. Reporting to the Board

7.1 The minutes of each meeting of the Finance and Resources Committee shall be presented to the next ordinary meeting of the Board.

7.2 Any recommendations made by the Committee will appear as items on the agenda for the next ordinary meeting of the Board.

8. Review and Approval

8.1 The terms of reference of the Finance and Resources Committee will be reviewed on an annual basis and recommendations made to the Board as appropriate.

9. Other Matters

9.1 The Committee shall:

- Ensure that new and existing members receive appropriate training in all aspects of the Committee's responsibilities
- Maintain and operate to an annual reporting cycle which covers all key matters as per the Committee's terms of reference.

9.2 The Committee is authorised by the Corporation to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with the relevant experience and expertise if it considers this necessary.

Appendix B: Audit Committee Terms of Reference

1. Purpose

- 1.1 The Audit Committee is a Committee of the Corporation established under the terms of clause 6 of the Articles of Government.
- 1.2 The role of the Committee is to assess and provide the Corporation with an opinion on the adequacy and effectiveness of the Corporation's assurance arrangements, framework of governance, risk management and control, and processes for the effective and efficient use of resources, the solvency of the institution and the safeguarding of assets.

2. Membership

- 2.1 The Committee shall consist of at least three members. In addition external individuals may be co-opted. Staff members, staff governors, the Chair of the Corporation, any member of the Finance and Resources Committee and the Principal are ineligible for membership of the Audit Committee.
- 2.2 Terms of office of members of the Committee shall last until the expiry of their term of office as a Board member unless s/he has been appointed for a further term of office.
- 2.3 Co-opted members of the Committee will be appointed by the Board and will hold office for a period of one year, following which they will be eligible for reappointment.
- 2.4 The Board will review the membership of the Committee from time to time and may make changes as it sees fit. It is a responsibility of the Corporation in appointing Members to maintain the Committee's independence and objectivity.

- 2.5 Collectively the Committee should have recent, relevant experience in risk management, finance and assurance. There is a restriction on the Committee not to adopt an executive role.
- 2.6 A representative from the appointed internal audit service will be expected to attend all meetings of the committee and a representative from the appointed financial statements and regularity auditors will be expected to attend as appropriate.

3. Election of Chair and Vice-Chair

- 3.1 The Chair and Vice Chair of the Committee will be selected by the Committee, for a term not exceeding 4 years.
- 3.2 The retiring Chair and Vice-Chair will be eligible for re-appointment.
- 3.3 In the absence of both the Chair and Vice-Chair from a meeting, the Committee will appoint another member to act as Chair for that meeting.

4. Frequency of Meetings and Quorum

- 4.1 The Audit Committee shall meet at least once a term. Additional meetings may be called as necessary in agreement with the Chair.
- 4.2 The quorum for meetings of the committee shall be three members.

5. Responsibilities of the Committee

- 5.1 To advise the Corporation on the appointment, reappointment, dismissal and remuneration of the financial statements and regularity auditors, the internal auditors and other assurance providers and to establish that all such assurance providers adhere to relevant professional standards.
- 5.2 To advise the Corporation on the scope and objectives of the work of the internal auditors and the financial statements, work of the Finance and Resources Committee and regularity auditors.
- 5.3 To ensure effective coordination between the internal auditors and the financial statements and regularity auditors.
- 5.4 To consider and advise the Corporation on the audit strategy and internal audit plans.
- 5.5 To advise the Corporation on internal audit assignment reports and annual reports on control issues included in the management letters of the financial statements and regularity auditors, and management's responses to these.
- 5.6 To monitor, within an agreed timescale, the implementation of agreed recommendations relating to internal audit assignment reports, internal audit annual reports, financial statements and regularity auditor's management letter and reports, and of any reports submitted by other providers of audit and assurance services.

- 5.7 To inform the Corporation of any additional services provided by the external auditor, reporting accountant and other assurance providers (if applicable) and explain how independence and objectivity were safeguarded.
- 5.8 To produce an annual report for the Corporation and accounting officer, as detailed within the College's Financial Handbook. In particular the report should include the Committee's opinion on the adequacy and effectiveness of the Corporation's audit arrangements, its framework of governance, risk management and control, and its processes for securing economy, efficiency and effectiveness, and any significant matters arising from the work of the IAS, the financial statements and regularity auditors and any other providers of audit and assurance services.
- 5.9 To oversee the Corporation's policies on fraud and irregularity and whistleblowing and to ensure that all allegations of fraud and irregularity are properly followed up in accordance with the College's Financial Handbook. This includes approving the College's Policy on Whistleblowing.
- 5.10 To consider a regular report from the college on the identification and management of risk, including fraud risk.
- 5.11 To review college compliance with GDPR.
- 5.12 To approve the college's critical incident management plan.
- 5.13 The Audit Committee has the authority to investigate any activity within its terms of reference and the right of access to obtain all the information and explanations it considers necessary, from whatever source, to fulfil its remit. It may seek independent advice when required.
- 5.14 **HEALTH & SAFETY**
- To recommend the Health and Safety Policy for approval by the Corporation.
 - To ensure that there are adequate procedures and policies in place relating to the Environment and Health and Safety matters.
 - Monitor and review the application of the College's Health and Safety policies and practices by receiving termly reports and an annual report from the Health and Safety Officer.
 - Advise the Corporation on the level of compliance with the Health and Safety and Environmental Policies.

6. Clerking Arrangements

- 6.1 The Clerk to the Board shall act as Clerk to the Audit Committee.

7. Reporting to the Board

- 7.1 The minutes of each meeting of the Audit Committee shall be presented to the next ordinary meeting of the Board.

7.2 Any recommendations made by the Committee will appear as separate items on the agenda for the next ordinary meeting of the Board.

8. Review and Approval

8.1 The terms of reference of the Audit Committee will be reviewed on an annual basis and recommendations made to the Board as appropriate.

9. Other Matters

9.1 The Committee shall:

- ☐ Ensure that new and existing members receive appropriate training in all aspects of the committee's responsibilities;
- ☐ Conduct an annual review of the committee's effectiveness against its Terms of Reference; and
- ☐ Maintain and operate to an annual reporting cycle which covers all key matters as per the Committee's Terms of Reference.

10. Cycle of Business

		Autumn term meeting	Spring term meeting	Summer term meeting	For Corporation approval
1	Recommend formal annual appointment of Financial Statements and Regularity Auditors and fees			X	Y
2	Approve the external audit strategy			X	
3	Recommend approval of the Annual Internal Audit Plan and 3- year rolling strategy			X	Y
4	Scrutinise all audit reports, management letters and the management's response	X	X	X	
5	Track implementation of audit recommendations	X	X	X	
6	Consider and advise the Corporation on relevant reports	X	X	X	Y
7	Review the completed DFE regularity self-assessment questionnaire	X (if not done in summer)		X (if available)	
8	Produce an annual report for the Corporation of the prior year's operation of the committee	X			Y
9	Recommend to the Corporation the approval of the statement of	X			Y

	corporate governance and internal control in the annual financial statements				
10	Consider a regular report from the college on the identification and management of risk, including fraud risk.	X	X	X	
11	Detailed focus on one area of risk	X	X	X	
12	Annual Fraud Risk Assessment (to inform Counter Fraud Strategy)		X		Y
13	Compliance Calendar	X	X	X	
14	Standing item on any instances to report on Fraud and Whistleblowing	X	X	X	
15	Consider whether the college is compliant with GDPR	X	X	X	
16	Critical Incident Management Plan - approve	X			
17	Annual Policy Reviews 22/23 to approve: - Whistleblowing Policy and to recommend to Corporation: - Fraud Policy - Gifts and Hospitality Policy - Declarations of Interest Policy - Data Protection Policy* - Freedom of Information Policy* <i>* 21/22 reviews from summer 21, if not dealt with by Corporation in Sept</i>	X X		X X X X X	Y
18	Review of performance of the internal audit service	X			
19	Review of performance of the financial statement auditors		X		
20	Annual self-evaluation of the Committee			X	
21	Appointment of Committee Chair (<i>currently annual</i>)	X			
22	Review the Committee terms of reference and recommend any changes to Corporation	X			Y

23	Consider the calendar of business for the committee for following year			X	
24	Termly Health, Safety and Fire report	X	X	X	
25	Recommend for approval by the Corporation the Health and Safety Policy			X	
26	Value for money report	X			N

Appendix C: Key Contacts in the Finance Department

Introduction

The Finance department is located in “A” Block on Winwick Road. The office is open between 8.30 am and 5.00 pm Monday – Thursday and 8.30 and 4.30 pm Friday.

In order to obtain maximum benefit from the Finance department, it is important to observe the published deadlines. The deadlines have been established in order to guarantee the delivery of particular services which might not otherwise be achievable.

The main services are listed on the following pages.

Exchequer Services

Exchequer services cover the following functions.

- 1) **Creditor payments.** This section pays all sums owed by the college other than payroll items. Payments are made mainly to suppliers of goods. For payments queries please contact finance@wvr.ac.uk
- 2) **Collection of income.** All income due to the college must be banked via learner services. Payments are received by BACS, cheque, cash, credit cards or debit cards. Instalment facilities are available for some categories of student in relation to their tuition fees. Overdue debts are pursued and, where appropriate, court action is taken. Security arrangements for cash in transit are made for transfers between College sites and the bank. For income queries please contact finance@wvr.ac.uk.
- 3) **Payroll.** The Payroll department is located in the Finance department. For payroll queries please contact Drene Walkden or Natalie Houghton on ext. 4247.
- 4) **Insurance.** All aspects of insurance cover and claims are handled by the Director of Facilities. Prompt notification of all losses by the use of the appropriate form is essential if claims are to be processed effectively. Failure to notify the police in cases of theft or criminal damage can also invalidate cover. For insurance queries please contact Bridget Floyd on ext. 4668.

Financial accounting

Many of the functions under this heading will not directly affect faculties and departments.

They include maintenance of the accounting system, preparation of final and other accounts, tax returns, etc. Another such function relates to treasury management, which encompasses borrowing and lending, cash flow forecasting and management of the bank accounts. There are, however, several services which are for the specific benefit of users.

- 1) **Other services rendered and projects.** Other services rendered and project job numbers are allocated on receipt of proposal forms so that all income and expenditure can be matched to projects. Advice is available for the preparation of bids for projects, especially in relation to external funding. Arrangements are also made for vetting and auditing various grant claims. For queries relating to other services rendered and research contracts please contact the Finance Manager on ext. 4330.
- 2) **Use of system.** Advice and training is provided for users to access and use the data held in the accounting system - Info. For queries relating to the operation of the accounting system please contact the Finance Manager on ext. 4330 or Purchasing Officer on ext. 4610.

Management accounting

Much of the work in this area is at a corporate level. This includes the preparation of the financial plan, consolidation and submission of planning data to funding bodies, compilation of the detailed annual budget and production of comparative statistical data. The Deputy Principal – Finance & Resources must also provide regular monitoring statements and financial advice to the Corporation and its committees.

- 1) **Budget monitoring.** At department level, detailed management accounts are produced indicating performance against budget at account code level. In accordance with strict procedures, budgets are constantly updated and users informed accordingly. All users also receive regular visits from Finance department staff in order to ensure that monitoring statements are being received, understood and used. For queries relating to budget maintenance please contact the Deputy Principal – Finance & Resources, the Director of Finance or the Finance Manager.
- 2) **Budget planning.** Advice is available for all budget managers for the purpose of the preparation of their business plans. For queries relating to budget planning please contact the Deputy Principal – Finance & Resources, the Director of Finance or the Finance Manager.

Management control

A range of services provided by the Finance department relate to the overall control of the college's systems. Some of these are mandatory.

- 1) **Internal audit.** The internal audit function which operates in conjunction with the audit committee. The finance department is responsible for the receipt and co-ordination of responses to audit reports and for the implementation of audit committee projects.

- 2) **Procedures and regulations.** Financial regulations and detailed financial procedures are maintained and disseminated by the Finance department. Again, their existence is a funding body and Audit Committee requirement. For queries relating to management control matters please contact the Deputy Principal – Finance & Resources or the Director of Finance.

Purchasing

The purchasing function is generally devolved, with authority to purchase granted to budget holders within the threshold framework stipulated in the financial regulations. The Purchasing Officer is responsible directly to the Director of Finance and reports periodically to the Finance and Resources Committee. His or her primary purpose is to produce, advise on and co-ordinate the operation of the college's purchasing strategy, policy and procedures.

- 1) **Contract development.** Commodity/service research; contract strategy; supplier appraisal and approval; supplier and contract management.
- 2) **Tender process.** Production and issue of documentation; tender evaluation; contract award recommendations; public sector procurement regulation application.
- 3) **Operational issues.** Purchasing advice and guidance on the acquisition of goods/services; assistance with compiling specifications; quotations; sourcing of vendors; negotiations; maintenance of the purchasing manual and associated guide notes and the purchasing catalogue.
- 4) **Low-value purchasing.** A purchasing card system for the procurement of low-value goods/services in operation. The purchasing manager controls the operation of this system.
- 5) **Purchasing consortium.** The college is a member of the Crescent Purchasing Consortium.

For all purchasing matters contact the Purchasing Officer on ext. 4610.

Appendix D: Main Features of the Public Interest Disclosure Act 1998

Summary

The Act came into force on 2 July 1999. It encourages people to blow the whistle about malpractice in the workplace and is designed to ensure that organisations respond by acting on the message rather than against the messenger. The Act applies to employees blowing the whistle about crime, civil offences (including negligence, breach of contract, etc.), miscarriage of justice, danger to health and safety or the environment and the cover-up of any of these. It applies whether or not the information is confidential and extends to malpractice occurring in the UK and any other country or territory. In addition to employees, it covers trainees, agency staff, contractors, home workers, trainees and every professional in the NHS. Employment law restrictions on minimum length of service and age do not apply. At present, the Act does not cover the genuinely self-employed, volunteers, the army, intelligence services or police officers. The Act has been described as ‘the most far reaching whistle-blower protection in the world’.

Internal disclosures

A disclosure in good faith to a manager or the employer will be protected if the whistle-blower has a reasonable suspicion that the malpractice has occurred, is occurring or is likely to occur.

Regulatory disclosures

The Act protects disclosures made in good faith to prescribed bodies such as the Health and Safety Executive, the Financial Services Authority and the Inland Revenue, where the whistle-blower has a reasonable belief that the information and their allegation(s) are substantially true.

Wider disclosures

Wider disclosures (e.g. to the police, the media, MPs, and non-prescribed regulators) are protected if, in addition to the tests for regulatory disclosures, they are reasonable in all the circumstances and they meet one of the three preconditions. Provided they are not made for personal gain, these preconditions are that the whistle-blower:

- Reasonably believed they would be victimised if they raised the matter internally or with a designated regulator
- Reasonably believed a cover-up was likely and there was no regulator
- Had already raised the matter internally or with a prescribed regulator.

An employee who makes a wide, public disclosure is more likely to be protected if there was no internal procedure set up.

Full protection

Where the whistle-blower is victimised in breach of the Act they can bring a claim to an employment tribunal for compensation. Awards are uncapped and based on the losses suffered. Additionally, where an employee is sacked, they may apply for an interim

order to keep their job. Not all disclosures made by an employee are protected under the Act. Those that include criminal acts, health and safety violations, breaches of legislation and miscarriages of justice. However, such acts are only protected as long as the disclosure is made in good faith to the employer, or any other person authorised under a procedure set up by the employer for this purpose. (Disclosures can also be made to appropriate regulatory bodies, such as the Health and Safety Executive.) Where an employee reasonably suspects malpractice (and this includes any crime), they will be protected from victimisation where they raise the matter in good faith with a person who is legally responsible for whistleblowing.

Qualifying areas

The qualifying areas consist of information that the employee reasonably believes tends to show one or more of the following matters is either happening now, took place in the past, or is likely to happen in the future:

- A criminal offence
- The breach of a legal obligation
- A miscarriage of justice
- A danger to the health or safety of any individual
- Damage to the environment
- Deliberate covering up of information tending to show any of the above five matters.

Appendix E: The Seven Principles of Public Life from the Report of the Committee for Standards in Public Life (The Nolan Report)**Selflessness**

Holders of public office should take decisions solely in terms of the public interest. They should not do so in order to gain financial or other material benefits for themselves, their families or their friends.

Integrity

Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that may influence them in the performance of their official duties.

Objectivity

In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.

Accountability

Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.

Openness

Holders of public office should be as open as possible about all their decisions and the actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.

Honesty

Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.

Leadership

Holders of public office should promote and support these principles by leadership and example.

Appendix F: Summary of Protocols for Proposed Capital Expenditure

Proposed capital projects should be supported by:

- A statement that demonstrates the project's consistency with the strategic plans and estates strategy approved by the Corporation.
- An initial budget for the project for submission to the Finance and Resources Committee. The budget should include a breakdown of costs including professional fees, VAT and funding sources.
- A financial evaluation of the plans together with their impact on revenue plus advice on the impact of alternative plans.
- An investment appraisal in an approved format which complies with funding body guidance on option and investment appraisal.
- A demonstration of compliance with normal tendering procedures and funding body regulations. This will require careful consideration where partnership arrangements are in place.
- A cash flow forecast.

More detail on these protocols can be found the college's financial procedures.

Appendix G: Summary of Protocols for Proposed Major Developments

The proposal should be supported by a business plan for three years which sets out:

- a demonstration of the proposal's consistency with the strategic plans approved by the Corporation and with the college's powers under current legislation
- details of the market need and the assumptions (based on reference data) of the level of business available
- details of the business and what product or service will be delivered
- an outline plan for promoting the business to the identified market and achieving planned levels of business
- details of the staff required to deliver, promote and manage the business, together with any re-skilling or recruitment issues
- details of any premises and other resources required
- a financial evaluation of the proposal together with its impact on revenue and surplus, plus advice on the impact of possible alternative plans and sensitivity analyses in respect of key assumptions
- contingency plans for managing adverse sensitivities
- consideration of taxation and other legislative or regulatory issues
- a three-year financial forecast for the proposal including a monthly cash flow forecast and details of the impact on the college cash flow forecast for the financial years in question.

More detail on these protocols can be found the college's financial procedures.

Appendix H: Internal Audit Service

The original unmodified Articles of Government require a college corporation 'at such times as it considers appropriate, to examine and evaluate its systems of internal financial and other control to ensure they contribute to the proper economic, efficient and effective use of the Corporation's resources.'

Under the Education Act 2011, college corporations still have an unalterable responsibility for the effective and efficient use of resources, the solvency of the college, and the safeguarding of their articles of government and the financial memorandum require the Corporation of each FE College to establish assets.

The appointment of an independent internal audit service to carry out the evaluation of 'internal financial and other control (s) is neither mandatory under the Articles of Government, nor under the Financial Memorandum. It is not mandatory under the College's Financial Handbook for any college corporation to have to appoint an internal audit service 'IAS'. However, having an IAS in place, which may be supplemented by specialists in particular areas, is likely to assist audit committees in ensuring they have effectively discharged their responsibilities.

If it is determined that an internal audit service is to be appointed, all the FE college's activities, funded from whatever source, fall within the remit of the IAS. The IAS may consider the adequacy of controls necessary to secure propriety, economy, efficiency and effectiveness in all areas. It will seek to confirm that FE college management has taken the necessary steps to achieve these objectives and manage the associated risks. The scope of the IAS's work shall cover operational and FE college management controls and should not be restricted to the audit of systems and controls necessary to form an opinion on the financial statements.

The IAS's work will be performed with due professional care in accordance with the standards for IAS promulgated by HM Treasury.

Appendix I: Conditions of Contract for the Purchase of Goods**List of headings**

- interpretation
- variation of conditions
- specification
- identification of goods
- packaging
- containers and pallets
- forms
- delivery
- property and risk
- rejection of goods
- default by contractor
- force majeure
- price and payment
- indemnity
- insurance
- transfer and sub-contracting
- patents, etc.
- confidentiality
- inducements to purchase
- insolvency
- publicity
- law

Appendix J: Main Points Included in the College's Code of Tendering Practice

- Duty to comply by the college's staff
- Public sector procurement regulation to be complied with
- Competitive tendering procedure, which will:
 - ensure fairness of competition
 - ensure that companies invited to tender are financially and technically able to meet the college's requirements
 - indicate the terms of the contract
 - outline the appropriate British standards to be complied with
- Quotation procedure, which will indicate:
 - the minimum number of firms that should be expected to provide quotations
 - lists of available firms in existence which have been approved by the college that might undertake the work specified
 - the terms by which the contractors will be paid
 - the national requirements concerning good practice that should be followed
- Submission of tenders (e.g. time, date, etc.)
- Receipt and safe custody of tenders and records
- Admissibility and acceptance of tenders
- Acceptance of tenders/quotations
- Justification of acceptance of tenders not at the lowest price

Appendix K: Treasury Management Policy

The College will pursue a prudent and “no risk” policy of investment of surplus funds by placing money on guaranteed terms on the money market.

The College will place investments through UK and International Banking Organisations which are recognised by any of the following rating agencies as having the highest level of short term credit quality. Details of the agencies and the terminology used to denote their highest levels of rating are as follows:

- Standards & Poors A-1
- Moody P-1
- Fitch IBCA F-1

Banking organisations which we use and currently fulfil the above criteria will be required to provide a copy of their current rating and must provide details of any future re-ratings as and when they occur. The Deputy Principal – Finance & Resources will be responsible for Treasury Management decisions. The Deputy Principal – Finance & Resources and their staff are required to act in accordance with CIPFA’s statement of best practice.

- 1) Reports on investments shall be included in the monthly management accounts presented to the Finance and Resources Committee and the Corporation.
- 2) Any investments which fall outside the “no risk”, guaranteed return must have the prior approval of the Principal and the Corporation.
- 3) All investments of monies under the control of the College shall be in the name of Warrington & Vale Royal College or in the name of approved nominees and made under arrangements approved by the Finance and Resources Committee. Investment policy will be determined by the Corporation as advised by the Finance and Resources Committee.
- 4) The Deputy Principal – Finance & Resources is responsible for ensuring that investments are managed in accordance with s19(4)(d) F&HE Act 1992 and the Trustee Act 2000. All investments other than short and medium term money market investments must be authorised by the Finance and Resources Committee.
- 5) All securities which are the property of, or in the name of, the College shall be held in the custody of the College's banker or approved nominees.
- 6) Any borrowing must be authorised by the Finance and Resources Committee and be effected in the name of the College. Should borrowing be required, it must follow the rules as laid down in the Financial Memorandum issued by the DfE. The DfE will stipulate limits based on a percentage of income and this must not be exceeded without the express permission of the DfE and the Finance and Resources Committee. Any new private sector borrowing require prior written consent from the Department for Education ‘DfE’.
- 7) Whenever possible trust funds will be in the name of the College.

- 8) The Deputy Principal – Finance & Resources is responsible for maintaining a record of the requirements for each trust fund and for advising the Finance and Resources Committee on the control and investment of fund balances.
- 9) The Finance and Resources Committee is responsible for ensuring that all the College's trust funds are operated within any relevant legislation and the specific requirements for each trust.
- 10) All employees acting as trustees by virtue of their official position shall deposit all securities relating to such trust funds with the College banker unless the deed provides otherwise.
- 11) The Deputy Principal – Finance & Resources shall report to the Finance and Resources Committee termly in each financial year on the activities of the treasury management operation and on the exercise of any treasury management powers delegated to them.