

Financial Regulations Manual

December 2024

Date Approved:	Dec 2024	Review Date:	Dec 2026	Approved by:	The Trust Board
----------------	-----------------	--------------	-----------------	--------------	------------------------

1. Introduction

- 1.1. The purpose of this manual is to ensure that the Academy maintains and develops systems of financial control which conform with the requirements both of propriety and of good financial management. It is essential that these systems operate properly to meet the requirements of our funding agreement with the Department for Education (DfE).
- 1.2. The Academy must comply with the principles of financial control outlined in the academies guidance published by the DfE. This manual expands on that and provides detailed information on the academy's accounting procedures and systems. The manual should be read by all staff involved with financial systems.

2. Organisation

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

3. The Trust Board

- 3.1. The Trust Board has overall responsibility for the administration of the Academy's finances. The main responsibilities of the Trust Board are prescribed in the Funding Agreement between the Academy and the DfE. The main responsibilities include:
 - 3.1.1. Ensuring that grants from the DfE are used only for the purposes intended.
 - 3.1.2. Ensuring that funds from sponsors are received according to the Academy's Funding Agreement, and are used only for the purposes intended.
 - 3.1.3. Approval of the annual budget.
 - 3.1.4. Appointment of the Headteacher.
 - 3.1.5. Appointment of the Headteacher as Accounting Officer.
 - 3.1.6. Appointment of the Finance Manager as the Chief Financial Officer.
 - 3.1.7. Headteacher and Chair of Trustees to approve and sign the annual Financial Statements, Trustees Report and financial information submitted to the ESFA.

4. The Resources Committee

- 4.1. The Resources Committee is a committee of the Trust Board. The Resources Committee meets once a term but more frequent meetings can be arranged if necessary. The main responsibilities of the Resources Committee are detailed in written terms of reference which have been authorised by the Trust Board. The main responsibilities include:
 - 4.1.1. The initial review and presentation of the annual budget to the FGB.
 - 4.1.2. The regular monitoring of actual expenditure and income against budget.
 - 4.1.3. Ensuring the annual accounts are produced in line with current statutory legislation.
 - 4.1.4. Authorising changes to the academy personnel establishment.
 - 4.1.5. Reviewing the reports on the effectiveness of the financial procedures and controls. These reports must also be reported to the trust board.
 - 4.1.6. Carrying out an annual cycle of internal controls.
 - 4.1.7. Advise the Trust Board on the appointment, re-appointment, dismissal and remuneration of the external and internal auditors.

5. The Headteacher

- 5.1. Within the framework of the academy development plan as approved by the Trust Board, the Headteacher has overall executive responsibility for the Academy's activities including financial activities. Much of the financial responsibility has been delegated to The Finance Manager but the Headteacher still retains responsibility for:
- 5.1.1. Approving new staff appointments within the authorised establishment, except for any senior staff posts which the Trust Board have agreed should be approved by them.
 - 5.1.2. Authorising contracts up to £64,999.
 - 5.1.3. Signing cheques up to £30,000.

6. The Finance Manager

- 6.1. The Finance Manager works in close collaboration with the Headteacher through whom he or she is responsible to the trustees. The Finance Manager also has direct access to the trustees via the Resources Committee. The main responsibilities of The Finance Manager are:
- 6.1.1. The establishment and operation of a suitable accounting system.
 - 6.1.2. The management of the academy financial position at a strategic and operational level within the framework for financial control determined by the trust board.
 - 6.1.3. Implementation and operation of rigorous and robust audits and control.
 - 6.1.4. Ensuring that the annual accounts are properly presented and adequately supported by the underlying books and records of the academy.
 - 6.1.5. The preparation of monthly and annual management accounts.
 - 6.1.6. Ensuring forms and returns are sent to the DFE in line with the timetable in the DFE guidance.
 - 6.1.7. The role of the Chief Financial Officer who has responsibility for providing guidance on Academies Financial Handbook compliance and for the Headteacher and Trustees.

7. Other Staff

- 7.1. Other members of staff will have some financial responsibilities. All staff are responsible for the security of academy property, for avoiding loss or damage, for ensuring economy and efficiency in the use of resources and for conformity with the requirements of the academy's financial procedures.

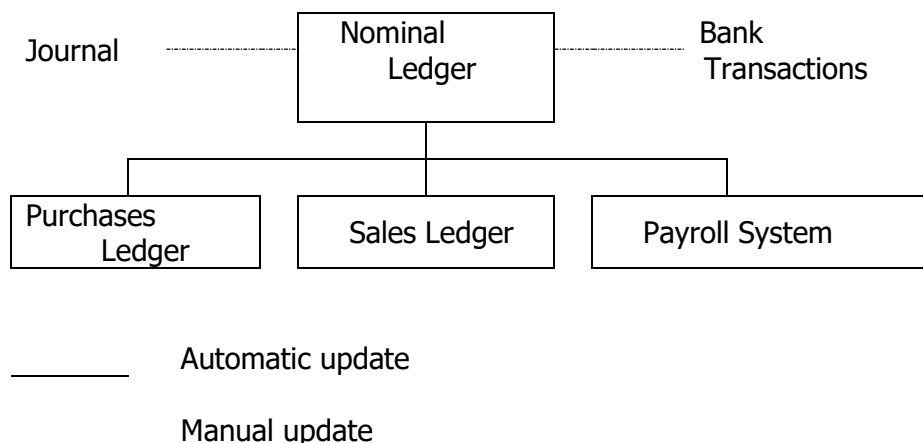
8. Register of Interests

- 8.1. It is important for anyone involved in spending public money to demonstrate that they do not benefit personally from the decisions they make. To avoid any misunderstanding that might arise all staff and trustees are required to declare any financial interests they have in companies or individuals from which the academy may purchase goods or services. The register is open to public inspection.
- 8.2. The register should include all business interests such as directorships, share holdings or other appointments of influence within a business or organisation which may have dealings with the academy. The disclosures should also include business interests of relatives such as a parent or spouse or business partner where influence could be exerted over a trustee or a member of staff by that person.

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

9. **Accounting system**

- 9.1. All the financial transactions of the academy must be recorded into Access, the computerised financial information accounting system.
This system is operated by the Finance Department and consists of:



10. **System Access**

- 10.1. Entry into Access Financial, is password restricted and the Finance Manager is responsible for implementing a system which ensures that passwords are changed regularly.

11. **Back-up Procedures**

- 11.1. The backup procedures for the system are located in a secure iCloud capture hosted by Access our financial accounting system. They receive data uploaded to this service by us the user, which is stored in an iCloud environment.

12. **Transaction Processing**

- 12.1. All order entries must be documented on the appropriate order form and authorised by The Headteacher prior to being input to the accounting system. Bank transactions should be input by the Finance Manager and the input should be checked, and signed to evidence this check, by Executive Assistant and either Headteacher or Senior Assistant Headteacher.
- 12.2. Detailed information on the operation of the Financial Information System can be found in the user manuals held in the Finance Department.

13. **Transaction Reports**

- 13.1. The Finance Manager will obtain and review system reports to ensure that only regular transactions are posted to the accounting system. The report obtained and reviewed will include management accounts, summarising expenditure and income against budget at budget holder level.

14. Reconciliations

- 14.1. The Finance Manager is responsible for ensuring the following reconciliations are performed each month, and that any reconciling or balancing amounts are cleared:
 - 14.1.1. Sales ledger control account.
 - 14.1.2. Purchase ledger control account.
 - 14.1.3. Payroll control account.
 - 14.1.4. Bank balance per the nominal ledger to the bank statement.
 - 14.1.5. Petty cash, VAT, accruals and prepayments, deferred income and accrued income.
- 14.2. Any unusual or long outstanding reconciling items must be brought to the attention of the Headteacher. The Headteacher will review and sign all reconciliations as evidence of his/her review.

15. Financial Planning

- 15.1. The Academy prepares both medium term and short-term financial plans.
- 15.2. The medium-term financial plan is prepared as part of the development planning process. The development plan indicates how the academy's educational and other objectives are going to be achieved within the expected level of resources over the next three years.
- 15.3. The development plan provides the framework for the annual budget. The budget is a detailed statement of the expected resources available to the academy and the planned use of those resources for the following year.
- 15.4. The development planning process and the budgetary process are described in more detail below.

16. Development Plan

- 16.1. The development plan is concerned with the future aims and objectives of the academy and how they are to be achieved; that includes matching the Academy's objectives and targets to the resources expected to be available. Plans should be kept relatively simple and flexible. They are the "big picture" within which more detailed plans may be integrated.
- 16.2. The form and content of the development plan are matters for the academy to decide but due regard should be given to the matters included within the guidance to Academies and any annual guidance issued by the DFE.
- 16.3. Each year the Headteacher will propose a planning cycle and timetable to the Trust Board which allows for:
 - 16.3.1. A review of past activities, aims and objectives - "did we get it right?"
 - 16.3.2. Definition or redefinition of aims and objectives – "are the aims still relevant?"
 - 16.3.3. Development of the plan and associated budgets – "how do we go forward?"
 - 16.3.4. Implementation, monitoring and review of the plan – "who needs to do what by when to make the plan work and keep it on course".
 - 16.3.5. Feedback into the next planning cycle – "what worked successfully and how can we improve?"
- 16.4. The timetable will specify the deadlines for the completion of each of the key stages

described above. Lead responsibility for the completion of each of the stages will be assigned by the Headteacher.

- 16.5. The completed development plan will include detailed objectives for the coming academic year and outline objectives for the following two years. The plan should also include the estimated resource costs, both capital and revenue, associated with each objective and success criteria against which achievement can be measured.
- 16.6. For each objective the lead responsibility for ensuring progress is made towards the objective will be assigned to an academy manager. The responsible manager should monitor performance against the defined success criteria throughout the year and report to the senior management team on a quarterly basis. The senior management team will report to the Trust Board if there is a significant divergence from the agreed plan and will recommend an appropriate course of action.

17. Annual Budget

- 17.1. The Finance Manager is responsible for preparing and obtaining approval for the annual budget, 3-year plans which must be approved by the Trust Board to ensure Academies Financial Handbook compliance. The budget must be approved by the Headteacher, Resources Committee and the Trust Board.
- 17.2. The approved budget must be submitted to the ESFA by the end of July each year and The Finance Manager is responsible for establishing a timetable which allows sufficient time for the approval process and ensures that the submission date is met.
- 17.3. The annual budget will reflect the best estimate of the resources available to the academy for the forthcoming year and will detail how those resources are to be utilised. There should be a clear link between the development plan objectives and the budgeted utilisation of resources.
- 17.4. The budgetary planning process will incorporate the following elements:
 - 17.4.1. Forecasts of the likely number of pupils to estimate the amount of DFE grant receivable.
 - 17.4.2. Review of other income sources available to the academy to assess likely level of receipts.
 - 17.4.3. Review of past performance against budgets to promote an understanding of the academy cost base.
 - 17.4.4. Identification of potential efficiency savings.
 - 17.4.5. Review of the main expenditure headings in light of the development plan objectives and the expected variations in cost e.g. pay increases, inflation and other anticipated changes.
 - 17.4.6. Review of approved staffing structure.

18. Balancing the Budget

- 18.1. Comparison of estimated income and expenditure will identify any potential surplus or shortfall in funding. If shortfalls are identified, opportunities to increase income should be explored and expenditure headings will need to be reviewed for areas where cuts can be made. This may entail prioritising tasks and deferring projects until more funding is available. Plans and budgets will need to be revised until income and expenditure are in balance. If a potential surplus is identified, this may be held back as a contingency or alternatively allocated to areas of need.

19. Finalising the Budget

- 19.1. Once the different options and scenarios have been considered, a draft budget should be prepared by The Finance Manager for approval by the Headteacher, the Resources Committee and the Trust Board.
- 19.2. The budget should be accompanied by a statement of assumptions and hierarchy of priorities so that if circumstances change, it is easier for all concerned to take remedial action. The budget should be seen as a working document which may need revising throughout the year as circumstances change.

20. Monitoring and Review

- 20.1. Every month, management accounts will be prepared on an accruals and prepayments basis by The Finance Manager. The reports will detail actual income and expenditure against budget and at a summary level and will be distributed to the accounting Office and Chair of Trust Board in accordance with the academies Financial Handbook.
- 20.2. Any potential overspend against the budget must in the first instance be discussed with The Headteacher. The accounting system will not allow payments to be made against an overspent budget without the approval of The Headteacher.
- 20.3. The monitoring process should be effective and timely in highlighting variances in the budget so that differences can be investigated and action taken where appropriate. If a budget overspend is forecast it may be appropriate to vire money from another budget or from the contingency. All budget requirements over £30,001 must be authorised by the Resources Committee, and under £30,000 by the Headteacher.

21. Payroll

- 21.1. The main elements of the payroll system are:

- 21.1.1. Staff appointments.
- 21.1.2. Payroll administration.
- 21.1.3. Payments.

22. Staff Appointments

- 22.1. The Trust Board has approved a personnel establishment for the Academy. Changes can only be made to this establishment with the express approval in the first instance of the Resources Committee who must ensure that adequate budgetary provision exists for any establishment changes.
- 22.2. The Headteacher has authority to appoint staff within the authorised establishment except for Deputy Headteachers and The Finance Manager whose appointments must follow consultation with the Trustees. The Executive Assistant maintains personnel files for all members of staff which include contracts of employment. All personnel changes must be notified, in writing, to The Executive Assistant immediately.

23. Payroll Administration

- 23.1. The Academy payroll is administered through the Academy's payroll provider Access.
- 23.2. All staff are paid monthly through the Academy payroll provider. A master file is created for each employee which records:
 - 23.2.1. Salary.
 - 23.2.2. Bank account details.
 - 23.2.3. Taxation status.
 - 23.2.4. Personal details.
 - 23.2.5. Any deductions or allowances payable.
- 23.3. New master files can only be created by the Executive Assistant with the express approval of The Headteacher. Any master file amendments made by the Executive Assistant must be printed out each month prior to the payroll run and must be authorised by The Headteacher.

24. Payments

- 24.1. Before payments are dispatched a printout of all data should be obtained from the payroll provider and this should be checked against source documentation by the Finance Manager and Executive Assistant.
- 24.2. All salary payments are made by BACS on the last working day of the month.
- 24.3. The payroll system automatically calculates the deductions due from payroll to comply with current legislation. The major deductions are for tax, National Insurance contributions and pensions. The amounts payable are summarised on the gross to net pay and is paid by BACS prepared by the Finance Manager and authorised for payment by The Executive Assistant and the Headteacher/Senior Assistant Headteacher by the due date.
- 24.4. After the payroll has been processed a journal is added onto the finance system. Postings will be made both to the payroll control account and to individual cost centres. The Finance Manager should review the payroll control account each month to ensure the correct amount has been posted from the payroll system, individual cost centres have been correctly updated and to identify any amounts posted to the suspense account.
- 24.5. On an annual basis our external auditors check for a random sampling members of staff that the gross pay per the payroll system agrees to the contract of employment held on the personnel file in the Executive Assistant's office.
- 24.6. The Executive Assist is responsible for preparation of pay runs and amendments of staff details.

25. Purchasing

- 25.1. The Academy wants to achieve the best value for money from all our purchases. This means they want to get what they need in the correct quality, quantity and time at the best price possible. A large proportion of their purchases will be paid for with public funds and they need to maintain the integrity of these funds by following the general principles of:
 - 25.1.1. Probity, it must be demonstrable that there is no corruption or private gain involved in the contractual relationships of the academy.
 - 25.1.2. Accountability, the Academy is publicly accountable for its expenditure and the

conduct of its affairs.

- 25.1.3. Fairness, that all those dealt with by the Academy are dealt with on a fair and equitable basis.

26. **Routine Purchasing**

- 26.1. Routine purchases can be ordered by the Finance Assistant. A quote or price must always be obtained before any order is placed.
- 26.2. Orders must be made, or confirmed, in writing using an official order form, stocks of which are held in Reprographics. There are exceptions to this rule which can be clarified by the Finance Manager. Orders must bear the signature of the budget holder and must be forwarded to the Finance Manager where The Headteacher will check to ensure adequate budgetary provision exists before placing the order.
- 26.3. Approved orders will be recorded in the purchase order module of the financial information system which allocates a reference number. Orders will be dispatched to the supplier from the Finance Assistant.
- 26.4. On receipt the member of staff must undertake a detailed check of the goods received against the goods received note (GRN) and make a record of any discrepancies between the goods delivered and the GRN. Discrepancies should be discussed with the supplier of the goods without delay.
- 26.5. If any goods are rejected or returned to the supplier because they are not as ordered or are of sub-standard quality, the Finance Manager should be notified.
- 26.6. All invoices should be sent to the Finance Manager. Invoice receipt will be recorded by the Finance Manager (and the invoice scanned) into the Financial Information System purchase ledger module) The Finance Manager will stamp invoices with a grid against which the following can be evidenced by the budget holder authorising payment:
- a) goods/ services received
 - b) goods/services as ordered
 - c) prices correct
 - d) invoice authorised for payment
 - e) VAT treated correctly and
 - f) payment made
- 26.7. The invoice will then be sent to the member of staff for signature and date the staff member must make a detailed check against the order and the GRN. Staff members must undertake these checks without undue delay and in any case within 7 days of invoice receipt.
- 26.8. If a staff member is pursuing a query with a supplier the Finance Manager must be informed of the query and periodically kept up to date with progress.
- 26.9. The Finance Manager will then input details of payments to be made to the purchase ledger and generate the cheques/BACs required. The cheques and associated paperwork must be authorised by two of the nominated cheque signatories. The BACS payment must be authorised by two approvers.
- 26.10. Cheques will be dispatched to suppliers by the Finance Manager and invoices are placed into the appropriate file.

26.11. Orders up to £4,999 and above (£5,000 & £7,500 works) and up to £40,000

Please refer to the Procurement & Tendering Policy.

27. Forms of Tenders

Please refer to the Procurement & Tendering Policy.

28. Income

28.1. The main sources of income for the academy are the grants from the DfE. The receipt of these sums is monitored directly by the Finance Manager who is responsible for ensuring that all grants due to the academy are collected. These are accurately recorded on a timely manner.

28.2. The Academy also obtains income from:

28.2.1. Students, mainly for trips.

28.2.2. The public, mainly for room lettings.

28.2.3. Price's Trust or charitable trust.

29. Trips

29.1. Students should make payments to the Finance Assistant. A receipt must be issued for all monies collected over £15.00.

29.2. The Finance Assistant should maintain an up to date record for each student showing the amount paid and the amount outstanding and is responsible for chasing the outstanding amounts.

30. Room Lettings

30.1. The Community Assistant is responsible for maintaining records of bookings of facilities and for identifying the sums due from each organisation.

30.2. Details of organisations using the sports facilities will be held by the Community Assistant who will establish a sales ledger account and produce a sales invoice from the Financial Information accounting system.

30.3. No debts should be written off without the express approval of the Trust Board (the DfE's prior approval is also required if debts to be written off are above the value set out in the Academies Financial Handbook).

30.4. Organisations using the community facilities should be instructed to send all payments to the Community Assistant by BACS, cash or cheque.

31. Custody

31.1. Official, pre-numbered academy receipts should be issued for all cash and cheques received where no other formal documentation exists. All cash and cheques must be kept in the Finance Department safe prior to banking. Banking should take place every week or more frequently if the sums collected exceed the £2,000 insurance limit on the Finance Department safe.

- 31.2. Monies collected must be banked in their entirety in the appropriate bank account. The Finance Manager is responsible for preparing reconciliations between the sums collected, the sums deposited at the bank and the sums posted to the accounting system. The reconciliations must be prepared promptly after each banking.

32. **Bank Accounts**

- 32.1. The opening of all accounts must be authorised by the Trust Board who must set out, in a formal memorandum, the arrangements covering the operation of accounts, including any transfers between accounts and cheque signing arrangements. The operation of systems such as Bankers Automatic Clearing System (BACS) and other means of electronic transfer of funds must also be subject to the same level of control.

33. **Deposits**

- 33.1. Particulars of any deposit must be entered on a copy paying-in slip, counterfoil or listed in a supporting book. The details should include:

33.1.1. The amount of the deposit.

33.1.2. A reference, such as the number of the receipt or the name of the debtor.

34. **Payments and withdrawals**

- 34.1. All cheques and other instruments authorising withdrawal from academy bank accounts must bear the signatures of two of the following authorised signatories:

34.1.1. Headteacher.

34.1.2. Senior Leadership Team.

34.1.3. Executive Assistant.

- 34.2. This provision applies to all accounts, public or private, operated by or on behalf of the Trust Board of the academy.

35. **Administration**

- 35.1. The Finance Manager/Assistant must ensure bank statements are received regularly and that reconciliations are performed at least on a monthly basis. Reconciliation procedures must ensure that:

35.1.1. All bank accounts are reconciled to the Academy's cash book and signed off by the Headteacher.

35.1.2. Reconciliations are prepared by the Finance Manager.

35.1.3. Adjustments arising are dealt with promptly.

36. **Petty Cash Accounts**

- 36.1. The Academy maintains a maximum cash balance of £250. The cash is administered by the Finance Manager/Assistant and is kept in the office safe.

37. **Deposits**

- 37.1. The only deposits to petty cash should be from cheques cashed specifically for the purpose. The receipt should be recorded in the petty cash system with the date, amount and a

reference, normally the cheque number, relating to the payment. All other cash receipts for whatever reason should be paid directly into the bank.

38. **Payments and Withdrawals**

- 38.1. In the interests of security, petty cash payments will be limited to £20 unless otherwise agreed by the Headteacher to a limit of £50. Higher value payments should be made by cheque directly from the main bank account as a cash book payment or BACS payment.

39. **Administration**

- 39.1. The Finance Assistant is responsible for entering all transactions into the petty cash records on a regular basis and regular as well as unannounced cash counts should be undertaken by the Finance Manager to ensure that the cash balance reconciles to supporting documentation.

40. **Physical Security**

- 40.1. Petty cash should be held in a locking cash box which is put in the safe overnight.

41. **Investments**

- 41.1. Investments must be made only in accordance with written procedures approved by the trust board.
- 41.2. All investments must be recorded in sufficient detail to identify the investment and to enable the current market value to be calculated. The information required will normally be the date of purchase, the cost and a description of the investment. Additional procedures may be required to ensure any income receivable from the investment is received.

42. **Fixed Assets**

All assets to be labelled "owned by Fareham academy" with a unique asset number so this can be checked against Asset Register.

- 42.1. All items purchased with a value over the academy's capitalisation limit of £3,000 must be entered in an asset register by the Finance Manager. The asset register should include the following information:

- asset description
- purchase order number
- asset number
- serial number
- date of acquisition
- asset cost
- depreciation
- location

- 42.2. The Asset Register helps:

- 42.2.1. Enable independent checks on the safe custody of assets, as a deterrent against theft or misuse.
- 42.2.2. To manage the effective utilisation of assets and to plan for their replacement.
- 42.2.3. Help the external auditors to draw conclusions on the annual accounts and the

academy's financial system.

- 42.2.4. To support insurance claims in the event of fire, theft, vandalism or other disasters.

43. **Security of Assets**

- 43.1. Stores and equipment must be secured by means of physical and other security devices. Only authorised staff may access the stores.
- 43.2. All the items in the register should be permanently and visibly marked as the academy's property and there should be a regular (at least annual) count by someone other than the person maintaining the register. Discrepancies between the physical count and the amount recorded in the register should be investigated promptly and, where significant, reported to the trust board. Inventories of academy property should be kept up to date and reviewed regularly. Where items are used by the academy but do not belong to it this should be noted.

44. **Disposals**

- 44.1. Items which are to be disposed of by sale or destruction must be authorised for disposal by The Finance Manager and, where significant, should be sold following competitive tender. The academy must seek the approval of the DfE in writing if it proposes to dispose of an asset for which capital grant in excess of £20,000 was paid.
- 44.2. Disposal of equipment to staff is not encouraged, as it may be more difficult to evidence the academy obtained value for money in any sale or scrapping of equipment. In addition, there are complications with the disposal of computer equipment, as the academy would need to ensure licences for software programmes have been legally transferred to a new owner.
- 44.3. All disposals of land must be agreed in advance with the Secretary of State.

45. **Loan of Assets**

- 45.1. Items of academy property must not be removed from academy premises without the authority of the Headteacher. A record of the loan must be recorded in a loan book and booked back into the academy when it is returned.
- 45.2. If assets are on loan for extended periods or to a single member of staff on a regular basis the situation may give rise to a 'benefit-in-kind' for taxation purposes. Loans should therefore be kept under review and any potential benefits discussed with the academy's auditors.

Annex: Procurement - Best Practice Checklist

1. Policies and procedures for procurement should be documented and adhered to, to ensure that the process is being carried out on a fair, open and best value basis. The documentation should describe:
 - Roles and responsibilities of those involved in procurement (e.g. Trust Board, Headteacher, Finance Manager and the Senior Managers).
 - Delegated authority levels, in particular setting out the procedures to be followed for purchases above specified values, to ensure sufficient levels of oversight by the Trust Board.
 - Arrangements to ensure segregation of duties.
 - How purchases are recorded (papers records and computer records (e.g. accounting system arrangements)).
 - In all cases it is important to ensure that the procedures that are set out are followed, both for routine day to day procurement, and for periodic high value items.
2. Where appropriate, individuals with relevant experience including the end-users (eg ICT managers, teachers) should be involved when putting together invitations to tender, or making key decisions. This will not only aid selection of the best solutions for the academy, but may also help achieve buy-in by the end-users.
3. Procurement decisions should be clearly recorded to ensure that the decision has been reached fairly and to provide a clear audit trail:
 - Minutes should be taken of all relevant meetings.
 - The options available should be recorded.
 - The basis for scoring/ranking should be set out.
 - The individuals responsible for scoring/ranking should be identified.
 - The outcome of the scoring and the final decision should be recorded.
 - The reasons on which the decision was reached should be clearly documented.
4. All key documents should be retained together by the Academy. This includes:
 - Invitations to tender.
 - Tenders received from bidders.
 - Quotes obtained for smaller purchases.
 - Papers/minutes documenting the procurement decision.
 - Signed copies of the contracts awarded.
 - Invoices.
5. Where procurement is carried out with the assistance of an external project management company (for example the initial procurement of ICT, furniture and equipment prior to moving into a new building) key documents should be transferred to, and retained by, the academy prior to cessation of the contract with the project management company.
6. An asset register of all capital items should be established in an appropriate format and should be updated on a continual basis as assets are purchased. The register should include:
 - asset description
 - purchase order number
 - asset number
 - serial number

- date of acquisition
 - asset cost
 - depreciation
 - location
7. Updating of the register as assets are procured should ensure that it is always current and should ease the task of end of year asset verification. It should also simplify the setting of insurance levels and the handling of any claims.
 8. A similar register should also be maintained of “attractive items” (ie items with a cost below the Academy’s capitalisation threshold) such as minor office equipment.
 9. Fitness for purpose should be a key consideration in any procurement decision (eg ICT should be of the correct specification; fixtures and fittings should be of adequate durability).
 10. Opportunities should be taken for bulk purchase discounts, for example by combining similar orders.
 11. When ordering goods an assessment of likely delivery timeframes should be made, to ensure that appropriate staff are available on site to receive them (particularly during school holidays), and that adequate space is available to locate or store the delivery.

EU Procurement Thresholds

1. The European Union (EU) has introduced rules to open up public purchasing by making member states remove restrictive practices. Government departments and other public bodies are subject to these rules. They are relatively complex but in general terms include a requirement to follow a prescribed tendering procedure, to operate to a minimum timescale and a requirement to advertise contracts in the Official Journal of the European Union (OJEU) if they exceed certain financial thresholds. The current thresholds applying from 01 January 2023 relevant to educational establishments are:

- **Public Sector Contracts**

- Supplies & Services (except subsidised services contracts)

- Schedule 1 bodies £122,976

- Others £189,330

- Subsidised services contracts

- All bodies £189,330

- Works (including subsidised works contracts)

- All bodies £4,733,252

- Light Touch Regime for Services

- All bodies £663,540

- Small lots

- Supplies and services £70,778

- Works £884,720

- **CCR 2016**

- Concession contracts £4,733,252

2. Where trust board are likely to enter into such contracts they will need to seek more detailed guidance and legal advice from the Department for Education (DfE).