



# Cambridge Primary Education Trust

## Financial Administration and Control Handbook

2018/19

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## INTRODUCTION

The purpose of this Handbook is to ensure that Cambridge Primary Education Trust (CPET) maintains and develops systems of financial control which conform to 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 agreements with the Education and Skills Funding Agency (ESFA).

Each academy within CPET must comply with the principles of financial control outlined in the academies guidance published by the ESFA in the Academy Funding Agreement and the Academies Financial Handbook. This CPET Handbook expands on those and provides detailed information on the accounting procedures. It also provides a standardised approach to all finance related tasks within CPET and its academies. The Handbook must be read by all staff involved in CPET's financial procedures and copies made available as necessary.

Compliance with the policies and procedures outlined is mandatory and any contravention of procedures must be brought to the attention, in the first instance, of the Principal Finance Officer.

All staff, including the Accounting Officer, the Principal Finance Officer, Head teachers, finance officers and finance assistants, who deal with financial matters, are trained in the appropriate procedures and records are kept of this training. All staff duties are recorded and a note kept of who can carry out the various duties in the absence of others.

All staff are aware of CPET's Whistleblowing Policy (see Appendix A) and to whom they should report any concerns regarding malpractice and wrongdoing. Any suspected financial irregularity will be reported to the Department of Education (DfE).

CPET's Finance and Premises Committee is responsible for reviewing all controls and procedures of financial systems operating within CPET. A self-assessment of the financial administration and management within each academy is carried out at all levels by CMAT Internal Audit Team who compile reports for the Finance and Premises Committee and the Principal Finance Officer.

CMAT is the provider of financial reporting services to CPET under the conditions of a Service Level Agreement, which is reproduced at Appendix B.

## Part One

# CAMBRIDGE PRIMARY EDUCATION TRUST

### 1. ORGANISATION

CPET is a Multi Academy Trust limited by guarantee (Academy trust number 8304433 incorporation date 22<sup>nd</sup> November 2012). It has exempt charitable status and all academies within CPET are governed by one trust, the directors/trustees and members.

Extract from Articles of Association:-

45. The number of Directors shall be not less than three but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum.

46. Subject to Articles 48-49 and 53, the Company shall have the following Directors:

- a. up to 9 Directors, appointed under Article 50; and
- b. one Director appointed by Cambridge Meridian Academies Trust (company number 07552498);
- c. any Additional Directors, if appointed under Article 61, 61A or 67A;
- d. any Further Directors, if appointed under Article 62 or Article 67A;
- e. up to 2 Directors, if appointed by the Secretary of State in accordance with the terms of any of the Relevant Funding Agreements following the provision of a notice by the Company to terminate the Relevant Funding Agreement; and
- f. a minimum of 2 Parent Directors elected or appointed under Articles 53-56 in the event that no School Advisory Boards are established under Article 100a or if no provision is made for at least 2 Parent Local Governors on each established School Advisory Board pursuant to Article 101A.

47. The Company may also have any Co-opted Director appointed under Article 58.

The trust has established the following sub-committees:

- Audit Committee (included in Finance and Premises Committee remit)
- Finance and Premises Committee
- Personnel Committee
- School Advisory Boards (at each academy)

## 2. ROLES AND RESPONSIBILITIES

The main responsibilities of CPET are prescribed in the Funding Agreements with the ESFA. The key responsibilities include:

- ensuring that grants from the ESFA are used only for the purposes intended
- approval of the annual budget
- balancing its budget from year to year
- production of an Annual Report and Accounts
- appointment of auditors
- appointment of the Accounting Officer
- appointment of the Principal Finance Officer
- ensuring regularity, propriety and value-for-money in relation to the management of public funds
- ensuring information that is submitted to the DfE and ESFA that affects funding is accurate and compliant
- implementing reasonable risk management recommendations that are made by the auditors

Subject to provisions of the Companies Act 2006, the Articles and to any directions given by special resolution, the business of CPET is managed by the directors who may exercise all the powers of CPET.

CPET has defined the responsibilities of key committees and staff 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 Committee that has the main responsibility relating to the finances of the academies is the Finance and Premises Committee.

The main responsibilities of this Committee are set out in written terms of reference (see Appendix C for the current version). The following sections summarise the responsibilities of those individuals with key roles in the administration and accountability of CPET finances.

## 2.1 THE ROLE OF THE EXECUTIVE PRINCIPAL

The Executive Principal has overall responsibility for CPET's activities including financial activities. As the Accounting Officer for CPET, the Executive Principal is personally responsible for:

- propriety and regularity of the public finances for which they are answerable
- keeping proper accounts
- prudent and economical administration
- avoidance of waste and extravagance
- ensuring value for money
- efficient and effective use of all available resources
- managing opportunities and risks

The role of Executive Principal and, therefore, Accounting Officer must not rotate.

The essence of the role is a personal responsibility for:

Regularity - dealing with all items of income and expenditure in accordance with legislation, the terms of CPET's funding agreement and this Handbook, and compliance with internal CPET procedures. This includes spending public money for the purposes intended by Parliament;

Propriety – the requirement that expenditure and receipts should be dealt with in accordance with Parliament's intentions and the principles of Parliamentary control. This covers standards of conduct, behavior and corporate governance;

Value for money – this is about achieving the best possible educational and wider societal outcomes through the economic, efficient and effective use of all the resources in CPET's charge, the avoidance of waste and extravagance, and prudent and economical administration. A key objective is to achieve value for money not only for CPET but for taxpayers more generally.

The Accounting Officer is required to complete and sign a short statement each year explaining how CPET has secured value for money. This must be sent to the ESFA and be published on CPET's website. It will also be placed on the DfE's website.

In practice, much of the financial responsibility is delegated to the Principal Finance Officer but the Executive Principal still retains responsibility for:

- confirming new staff appointments
- authorising orders, contracts and signing cheques and releasing payments in conjunction with other authorised signatories in accordance with the agreed Scheme of Delegated Financial Authority (see Appendix D)

- preparing budget plans in conjunction with the Principal Finance Officer and Head teachers
- reviewing reports to CPET giving details of income, expenditure and commitments to date
- ensuring any actions resulting from the annual audit are implemented

## 2.2 THE ROLE OF THE PRINCIPAL FINANCE OFFICER

The Principal Finance Officer works in close collaboration with the Executive Principal through whom they are responsible to the trustees. The main responsibilities of the Principal Finance Officer are:

- the day to day management of financial issues including the establishment and operation of a suitable accounting system for the individual academies
- the management of CPET's financial position at a strategic and operational level within the framework for financial control determined by the trustees
- the preparation of budget plans in conjunction with the finance officers, Executive Principal and Head teachers
- the maintenance of effective systems of internal control
- the maintenance of adequate fixed asset registers
- liaising with auditors to ensure that the annual accounts are properly presented and adequately supported by the underlying books and records of CPET
- the timely preparation of management accounts, including income and expenditure reports, cash flow forecasts and a balance sheet
- ensuring forms and returns are sent to the ESFA in line with the timetable in the ESFA guidance

## 2.3 THE ROLE OF FINANCE OFFICERS AND BUDGET HOLDERS

Other members of staff, primarily the finance officers, finance assistants and departmental budget holders have some financial responsibilities and these are detailed in following sections of this Handbook.

All staff are responsible for the security of trust property, for avoiding loss or damage, for ensuring economy and efficiency in the use of resources, and for conformity with the requirements of CPET's financial procedures.

## 3. DELEGATED AUTHORITY TO THE ACADEMY TRUST

The delegated authority over different categories of financial transactions from the ESFA is set out below:

### Liabilities and write-offs

Trusts may write off debts and losses, including any uncollected fines up to the following delegated limits:

- 1% of total annual income or £45,000 (whichever is smaller) per single transaction
- cumulatively, 2.5% of total annual income in any one financial year per category of transaction for any trusts that have not submitted timely, unqualified financial returns for the previous two financial years. This category includes new academies that have not had the opportunity to produce two years of financial statements
- cumulatively, 5% of total annual income in any one financial year per category of transaction for any trusts that have submitted timely, unqualified financial returns for the previous two financial years

In relation to these limits, the amounts for write offs are before any successful claims from an insurer and total income is defined as grant income as disclosed in the trust's last set of audited accounts.

Beyond these limits the trust must seek and obtain explicit and prior approval of the Secretary of State (through the ESFA).

### Severance Payments

If the trust is considering making a staff severance payment above the contractual entitlement, it must consider the following issues before making a binding commitment:

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

Special severance payments should not be made where they could be seen as a reward for failure, such as dismissal for gross misconduct or poor performance. The only acceptable rationale in the former case would be where the claimant will win an Employment Tribunal claim because of employment law procedural errors. In the

latter, an acceptable comparison would be the time and cost of taking someone through performance management and improvement procedures.

If the trust is considering making a compensation payment it must consider whether the proposed payment is based on a careful appraisal of the facts, including legal advice and that value for money will be achieved.

All severance payments will comply with the current Academies Finance Handbook.

Where the trust is considering making a special staff severance payment or compensation payment above the contractual entitlement of £50,000, prior approval will need to be sought from HM Treasury (HMT), via the ESFA, before any such payment can be made. The trust, in this situation, should speak to its ESFA contact at the earliest opportunity to discuss.

For the avoidance of doubt, the following examples illustrate where HMT approval would be required:

- statutory/contractual payment of £40k + enhancement of £20k = HMT approval not required
- statutory/contractual payment of £60k + enhancement of £20k = HMT approval not required
- statutory/contractual payment of £60k + enhancement of £50k = HMT approval required for the £50k enhancement only

#### Asset sales, leases and tenancy agreements

There are two types of lease, as defined under relevant financial reporting standards. There are finance leases (which are a form of borrowing) and there are operating leases (which do not involve borrowing). Trusts that are in any doubt as to whether or not any particular lease does or does not involve an element of borrowing should resolve the issue by contacting their professional adviser.

The trust must seek and obtain prior written approval from the Secretary of State, via the ESFA, for the following leasing transactions:

- taking up a finance lease on any class of asset for any duration from another party, as this would represent borrowing
- taking up a leasehold or tenancy agreement on land or buildings from another party for a lease term of more than five years
- granting a leasehold or tenancy agreement on land or buildings to another party for a lease term of more than five years

Trusts may take out and grant other types of lease (i.e. other than finance leases, leaseholds and tenancy agreements as described above), without the Secretary of

State's approval. For the avoidance of doubt this means that operating leases on assets that are not land and buildings do not require the Secretary of State's approval. Leases should be disclosed in trusts' annual accounts in accordance with the Academies Accounts Direction.

If the trust does wish to enter into a lease that requires the Secretary of State's consent, then the trust will need to contact the ESFA in the first instance. Trusts must ensure that any lease arrangement maintains the principles of regularity, propriety and value for money, whether or not the approval of the Secretary of State is required.

#### **4. REGISTER OF INTERESTS**

It is important for anyone involved in spending public money to demonstrate that they do not benefit personally from the decisions they make. To avoid any misunderstanding that might arise all members, directors, governors and staff who can influence financial decisions, or spending powers, are required to declare any financial interests they have in companies or individuals from whom CPET may purchase goods or services.

The register is open to public inspections and is published on the CPET website. It 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 CPET. 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 member, director, governor or a member of staff by that person.

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

#### **5. PROCESS FOR INDEPENDENT CHECKING**

Every trust must have in place a process for independent checking of financial controls, systems, transactions and risks.

The Finance and Premises Committee reviews the risks to internal financial control at CPET and agrees an annual programme of work that addresses these risks, and, so far as is possible, provide assurance to the external auditors.

##### **5.1 INVESTIGATION OF FRAUD AND IRREGULARITY**

The personal responsibilities of the Accounting Officer extend to the prevention of loss through fraud and irregularity. However, in addition to the Accounting Officer's responsibilities, the members of CPET are also responsible for preventing such losses

of public funds, and this means that members, directors and governors must be aware of the risk of fraud and irregularity that may occur within their organisations and they must, as far as possible, address this risk in their internal control and assurance arrangements by putting in place proportionate controls. CPET is also responsible for ensuring appropriate action is taken where fraud and irregularity is suspected or identified. The Fraud Policy and Procedures (see Appendix E) outlines the procedures to be adopted in such an event.

All instances of fraud or theft committed against CPET, whether by employees, members, directors, governors or third parties, above £5,000 must be reported by CPET to the ESFA. Any unusual or systematic fraud, regardless of value, must also be reported.

The ESFA reserves the right to conduct or commission its own investigation into actual or potential fraud, theft or irregularity in any academy either as the result of a formal notification from CPET itself or as the result of other information received.

## 5.2 APPOINTMENT OF EXTERNAL AUDITORS

CPET is required to submit the accounts for an annual audit. This means that external auditors need to be appointed, by putting out to tender. The appointment is for a one year period renewable up to three years at the confirmation of the Finance and Premises Committee.

The auditors are required to give an opinion on whether:

- the financial statements have been prepared in accordance with the Financial Reporting and Annual Accounts Requirements issued by the ESFA
- proper accounting records have been kept by CPET throughout the financial year
- grants made by the ESFA have been applied for the purposes intended

The Finance and Premises Committee monitors the ongoing performance of the external auditors.

## 6. ACCOUNTING SYSTEM

CPET is registered annually under the 2018 Data Protection Act. The registration requires a single data controller to be named and the named data controller in CPET is the Accounting Officer. Alongside CMAT, CPET is compliant with General Data Protection Regulation (GDPR) standards.

All the financial transactions of CPET must be recorded on the accounting system operated by the finance offices in each academy.

Financial records are required to be kept for at least six years. This is a requirement laid down by HMRC.

### 6.1 SYSTEM ACCESS

The accounting system is protected by access permissions to authorised staff. Access permissions should be strictly controlled and individual log-ins and passwords should not be compromised. Access to the accounting system should be restricted and the Principal Finance Officer, or nominated deputy, is responsible for determining the access levels for all members of staff using the system.

All leavers with previous access must have their access permissions formally removed by the CMAT ICT department.

### 6.2 BACK-UP PROCEDURES

CPET IT Services are outsourced to CMAT. The CMAT ICT systems manager, in conjunction with the Principal Finance Officer, have prepared a disaster recovery plan in the event of the loss of accounting facilities or financial data. This should link in with the annual assessment made by trustees of the major risks to which CPET is exposed and the systems that have been put in place to mitigate those risks. The disaster recovery plan is currently being updated within CMAT.

### 6.3 TRANSACTION PROCESSING

All transactions input to the accounting system must be authorised in accordance with the procedures specified in this document. The detailed procedures for the operation of the payroll, the purchase ledger and the sales ledger are included in following sections of the document. All journal entries must be documented in the accounting records. Bank transactions should be input by the finance officers / assistants and the input should be checked, and signed to evidence this check, by the Principal Finance Officer or nominated deputy.

### 6.4 TRANSACTION REPORTS

The Principal Finance Officer/finance officers obtain and review system reports to ensure that only bona fide transactions are posted to the accounting system. The reports obtained and reviewed include:

- monthly payroll reports
- weekly bank statement reconciliations
- monthly procurement card statements
- monthly VAT returns
- management accounts summarising expenditure and income against budget at budget holder level

## 6.5 RECONCILIATIONS

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

- payroll
- bank balance per the nominal ledger to the bank statement
- procurement cards
- VAT
- trial balance

Any unusual or long outstanding reconciling items must be brought to the attention of the Principal Finance Officer. The Principal Finance Officer will review and sign all reconciliations as evidence of review.

## 7. FINANCIAL PLANNING

CPET prepares both medium term and short term financial plans.

The medium term financial plan is prepared as part of the strategic planning process. The SDP indicates how CPET's educational and other objectives are going to be achieved within the expected level of resources over the next three years.

The SDP provides the framework for the annual budget. The budget is a detailed statement of the expected resources available to CPET and the planned use of those resources for the following year.

The strategic planning process and the budgetary process are described in more detail below.

### 7.1 THE STRATEGIC DEVELOPMENT PLAN (SDP)

The SDP is concerned with the future aims and objectives of CPET and how they are to be achieved. That includes matching CPET'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.

There is no prescribed form and content for SDP's but due regard should be given to matters included within the guidance to academies and any annual guidance issued by the DfE.

Each year the Executive Principal will propose a planning cycle and timetable which allows for:

- a review of past activities, aims and objectives - "did we get it right?"
- definition or redefinition of aims and objectives – "are the aims still relevant?"
- development of the plan and associated budgets – "how do we go forward?"

- implementation, monitoring and review of the plan – “who needs to do what by when to make the plan work and keep it on course”
- feedback into the next planning cycle – “what worked successfully and how can we improve?”

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 Executive Principal.

The completed SDP will include detailed objectives for the coming academic year and the wider School Improvement Plans (SIPs) will outline objectives for the following year as well. The plan will also include the estimated resource costs, both capital and revenue, associated with each objective and success criteria against which achievement can be measured.

## 7.2 ANNUAL BUDGETS

Annual budgets reflect the best estimate of the resources available to each academy for the forthcoming year and how those resources are to be utilised by each academy. There should be a clear link between the SDP objectives and the budgeted utilisation of resources.

The budgetary planning process will incorporate the following elements:

- forecasts of the likely number of pupils to estimate the amount of ESFA grant receivable
- review of other income sources available to the academies to assess likely level of receipts
- review of past performance against budgets to promote an understanding of CPET’s cost base
- identification of potential efficiency savings
- review of the main expenditure headings in light of the SDP objectives and the expected variations in cost, e.g. pay increases, inflation and other anticipated changes
- liaising with external agencies including major suppliers to ensure that CPET’s best financial interests are met

Individual academy plans and budgets need to be revised until income and expenditure are in balance. 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. Subject to Finance and Premises Committee approval it may be possible to balance the in-year budget from previous year surpluses.

If a potential surplus is identified at an individual academy, this may be held back as a contingency or alternatively carried forward to invest in future years' priorities for the pupils that the academy serves.

It is the responsibility of the Finance and Premises Committee to set and recommend an annual budget for submission to the Board of Trustees. Such approval should be clearly minuted in sufficient time to allow prompt submission of budget plans to the ESFA and should be accompanied by a statement of assumptions and explanations behind the plan so that if circumstances change, it is easier for all concerned to take remedial action.

The Principal Finance Officer, in conjunction with the Executive Principal, is responsible for preparing and obtaining approval for the annual budget of each academy. The budget must be approved by the Board of Trustees.

The approved budget must be submitted to the ESFA by 31 July each year or at another date specified by the ESFA and the Principal Finance Officer is responsible for establishing a timetable which allows sufficient time for the approval process and ensures that the submission date is met.

Budgets should be seen as forecasts- which may need revising throughout the year as circumstances change.

### 7.3 MONITORING AND REVIEW

Budget monitoring reports have been developed in which variances are highlighted for discussion and appropriate action. Monthly reports are prepared for each academy. The reports detail actual income and expenditure against budget both for budget holders and at a summary level for the Head teachers. Copies must then be provided to the Principal Finance Officer to produce and provide monthly summary reports for the Trustees.

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. Any potential overspend against budget must, in the first instance, be discussed with the Principal Finance Officer.

## 8. PAYROLL

The main elements of the payroll system are:

- staff appointments
- payroll administration
- payroll payments

## 8.1 STAFF APPOINTMENTS

There is an approved personnel establishment for each academy and the Head teachers must ensure that adequate budgetary provision exists for any establishment changes.

The directors have the authority to appoint the Executive Principal and the Head teachers.

The appointment of a Principal Finance Officer must be approved by the directors.

Each academy maintains personnel files for all members of staff which include contracts of employment. All personnel changes must be notified to the finance officers immediately.

The Executive Principal is responsible for ensuring that CPET's pay policy is implemented.

The Executive Principal is responsible for ensuring that the statutory obligations around the safer recruitment policy and procedures are administered and nominated staff in each academy are responsible for maintaining accurate records of all staff employed in a single central record.

Personnel information is held in handbook files under the guidance of the Executive Principal with access strictly limited to authorised officials only and separately on the Personnel module of the management information system, for which relevant registration under the 2018 Data Protection Act is held.

## 8.2 PAYROLL ADMINISTRATION

CPET's payroll is administered by EPM as part of CPET's subscription to the HR Admin and Payroll services.

Amendments to payroll data, e.g. appointments, resignations, pay changes and overtime, are made on the EPM Portal, authorised by the Head teachers.

All supply teacher, casual working and overtime claims must be checked and confirmed by a budget holder and must be forwarded promptly to the relevant academy's finance office. The finance office will check supply teacher, casual working and overtime claims and expenses each month to ensure that the payroll system is operating correctly.

## 8.3 PAYROLL PAYMENTS

All staff are paid monthly by bank credit transfer to their bank accounts.

The EPM payroll system automatically calculates the deductions due from payroll to comply with legislation. The major deductions are for tax, national insurance

contributions and pensions. The amounts paid are summarised on the EPM payroll reports.

Payroll reports are downloaded and checked for correctness in the following ways:

- Draft payroll/pay slips are checked against the previous month's reports by staff in each academy. High level checks are also performed by the Principal Finance Officer prior to authorisation online by the Executive Principal
- Post completion of the month's payroll, all relevant reports are downloaded and the data checked and tracking sheets completed to ensure all payroll balances and the necessary payroll journals are created and emailed to each academy

The finance officers should undertake a monthly reconciliation between the current month's actual expenditure and the budgeted payroll costs. Any variations should be investigated and reported to the relevant Head teacher and queries raised immediately with EPM.

The Principal Finance Officer will check each academy's monthly reconciliation to ensure that the payroll system is operating correctly.

On an annual basis, CPET issue pay statements for all teaching staff as at 1 September with copies kept on the employee's personnel files.

CPET has a responsibility for ensuring that all payments to individuals are subject to tax and national insurance deductions where appropriate. In order to achieve this all payments to individuals not via payroll will be subject to completion of an IR35 assessment.

Travel claims should be processed and paid via payroll. The rates of reimbursement are set at Board level and will not exceed HMRC's approved mileage rates. A copy of the Travel and Subsistence Policy is attached at Appendix F.

## 9. PROCUREMENT

CPET wants to achieve the best value for money from all its purchases (see Appendix G for a copy of the Best Value Statement). This means it wants to get what it needs in the correct quality, quantity and time at the best price possible. A large proportion of purchases is paid for with public funds and CPET needs to maintain the integrity of these funds by following the general principles of:

- **Probity**: it must be demonstrable that there is no corruption or private gain involved in the contractual relationships of CPET
- **Accountability**: CPET is publicly accountable for its expenditure and the conduct of its affairs

- **Fairness:** that all those dealt with by CPET are dealt with on a fair and equitable basis.

See Appendix H.

## 9.1 ROUTINE PURCHASING

Budget holders are informed of the budget available to them as soon as possible after the start of the term in September. It is the responsibility of the budget holder to manage their element of the budget and to ensure that the funds available are not overspent. A report detailing actual expenditure against budget is supplied to each budget holder after the month end and budget holders are encouraged to keep their own records of orders placed but not paid for.

It is essential that all of the following controls are adhered to:

- orders should not be entered into verbally and, unless a business charge card has been used, orders should always include CPET's terms and conditions which protects CPET against terms and conditions imposed by suppliers
- the use of official order forms is mandatory - currently paper copies are used but there are plans to move onto the web based 'my portal' function in 2018/19.
- in exceptional circumstances (e.g. emergency repairs) orders may be placed by telephone. In such circumstances a confirmation order must be generated. Orders may be faxed or emailed to suppliers. Care should be taken to send both sides of the official order form so the supplier receives CPET's terms and conditions.
- It is the responsibility of the budget holder to be satisfied that the work, goods, materials or services are appropriate and necessary, and that there are adequate funds in the relevant academy's budget for that purpose, and that sufficient quotations/tenders have been obtained (see Appendix I).
- orders should only be approved in accordance with the authorised limits within the scheme of delegation listed in Appendix D. Orders may only be used for goods and services provided to CPET. Private individuals and other organisations may not use official order forms to obtain work, goods, materials and services net of VAT.
- orders/documentation required must be in accordance with the table below:

Value of contract	Quotations required	Specification Level	RFQ/Tender process	Document
Under £1000	1 Email / Written quote	N/A	Email – RFQ	RFQ - Covering letter
Under £3000	2 Email / Written quotes	N/A	Email – RFQ	RFQ - Covering letter

Under £5000	2 Email / Written quotes	Short Specification	Email – RFQ	RFQ - Covering letter
Under £10000	3 Email / Written quotes	Short Specification	Email – RFQ	RFQ - Covering letter
Under £20000	3 Email / Written quotes	Full Specification	Tender – short form	Short form Tender
Under £30000	3 Email / Written quotes	Full Specification	Tender – short form	Short form Tender
Over £30000	4 Email / Written quotes	Full Specification	Full Tender	Full Tender – ITT
Under OJEU*	4 Email / Written quotes	Refer - OJEU process applies	OJEU Tender	Refer solicitors/ external advisor

***Sample documents are available from the finance offices or via the finance portal***

All purchases over £10,000 quotations must be sought via the Finance team and not direct by the budget holder

The requirement to obtain three quotations for goods and services may be waived in the following exceptional circumstances:

- The work or supply is urgent and there are justifiable reasons why procurement could not have been foreseen and for avoiding any delay
- The work or supply is additional to on-going work and the contractor or supplier is on site and/or already commissioned to undertake related work or supply. Price testing with one other contractor would be a minimum in these circumstances
- There are a limited number of suppliers or contractors (sometimes only a sole supplier) able to undertake the work or supply
- Where using someone else would affect a warranty or be to CPET’s disadvantage.

In all cases where this waiver is to be applied the prior permission of either the Chair of the Finance and Premises Committee or the Chair of the Board of Trustees must be sought and the reasons for the waiver reported at the next Finance and Premises Committee meeting.

The waiver will only be applied to medium value works up to £30,000.

If requests for tender are not responded to but acknowledged these will be included as quotations for the purposes of compliance with these regulations.

The budget holder or the relevant finance officer must make appropriate arrangements for the delivery of goods and services to the academy. On receipt of goods and services there must be a detailed check of the goods and services received against the official order form (or equivalent in exceptional circumstances). Where delivery notes are not produced, then the receipt of goods and services should be recorded on the order form. All discrepancies should be discussed with the supplier of the goods and services without delay. A grid stamp should be used on delivery notes

to confirm the recipient has received the goods, services or materials and that they are the correct quantity and are fit for purpose.

If any goods are rejected or returned to the supplier because they are not as ordered or are of sub-standard quality, the relevant finance officer should be notified. The Principal Finance Officer will keep a central record of all goods returned to suppliers.

Invoices will be authorised for payment by the budget holder and then passed to the relevant finance officer for recording and payment through the accounting system.

## 9.2 INVOICE PROCESSING

When invoices are received, it is essential to check that all the elements of the invoice are correct before processing and authorising payment. The checks should be carried out and evidenced by finance staff:

- All invoices should be sent to the relevant finance office to be checked against the numbered order (or equivalent in exceptional circumstances) and/or the delivery note. Checks should evidence the following:
  - invoice arithmetically correct
  - goods/services received
  - goods/services as ordered
  - prices correct
  - the invoice is not a copy or a facsimile and has not previously been paid.

Where delivery notes are not produced/signed off, then the receipt of goods and services should be recorded on the invoice (this is done using the bar code). All discrepancies should be discussed with the supplier of the goods and services without delay.

- There will be certain items that are not subject to the normal ordering system – such as utility invoices. These will be treated in the same way as invoices for items that are ordered, namely there will be confirmation from the budget holder that the expenditure is due and there will also be confirmation from another member of staff who can verify that the goods/services have been delivered, are in the relevant academy and are for academy use.
- If any goods are rejected or returned to the supplier because they are not as ordered or are of sub-standard quality, the relevant finance office should be notified. The Principal Finance Officer will keep a central record of all goods returned to suppliers.

- A bar code is produced and attached to each invoice received. The invoice is scanned, saved and then sent to the budget holder/relevant Head teacher for authorisation.
- Once an authorising signature is obtained the relevant finance officer will certify/sign that the invoice is authorised for payment.
- Valuable items that are portable and desirable should be security marked and added to the inventory or asset register immediately

### 9.3 BUSINESS CHARGE CARDS

Business charge cards are held by named cardholders and finance officers in each academy. Cards are issued to the Executive Principal and Head teachers only but they are available for use by the finance teams.

Each cardholder/finance officer is personally responsible for the safe custody of cards used by them. The cards should be held securely at all times and any loss of cards should be reported immediately. The cardholders/finance officers are liable for the integrity of all transactions and proper and controlled use of the procurement cards. All receipts must be produced and reconciled monthly to the statements by the finance officers and reviewed and signed off by the Principal Finance Officer.

The Principal Finance Officer will check each academy's monthly reconciliation to ensure that the business charge card system is operating correctly.

## 10. OTHER MATTERS

### Services provided by sponsors and sponsor-related bodies

CPET must ensure that any contracts for services provided to it are properly procured and present value for money.

### Irregular or improper transactions

Situations may arise where CPET decides to enter into a transaction which is irregular, improper or does not provide value for money. In these circumstances CPET must seek prior, written permission from the ESFA. Such transactions may additionally require HMT approval dependent on the nature of the transaction involved.

### Managing surplus General Annual Grant (GAG)

It is important that the grant is spent as needed to avoid excess calls on exchequer funding and public borrowing. The ESFA previously set limits on the amount of GAG that could be carried forward from one year to the next. These limits have now been

removed so that academy trusts have the freedom to keep money aside for when it is needed most and to build up reserves, for example for long-term capital projects.

The DfE expects academy trusts to use their allocated funding for the full benefit of their current pupils. Therefore, it is important that, if the academy trust has a substantial surplus, the academy trust has a clear plan for how it will be used to benefit the pupils.

The ESFA will also verify the sums of unspent funds when it checks the academy trust's accounts and highlight and report, to the relevant DfE Boards, any cases where it has serious concerns about a long-term substantial surplus with no clear plans for use.

#### Pooling of GAG by multi-academy trusts

An academy trust has the freedom to amalgamate a proportion of GAG funding for all its academies to form one central fund. This fund can then be used to meet the normal running costs at any of the academies within the multi-academy trust in accordance with the guidelines that govern the use of GAG funding.

CPET does not currently pool GAG.

A copy of the Reserves policy is attached at Appendix J.

## Part Two

# SCHOOL ADVISORY BOARDS AND ACADEMIES

## 11. SUMMARY OF RESPONSIBILITIES

The day to day management of each academy is devolved to their School Advisory Board, and, to the extent of the delegated powers vested in them, the sub-committees created by the School Advisory Board.

Each School Advisory Board delegates day to day responsibility for carrying out the policies and decisions of the School Advisory Board and its sub-committees to the respective Head teacher.

Sub-committees of each School Advisory Board act strictly within the remit allocated to them by the School Advisory Board.

Management and administration duties undertaken by the Head teachers and the members of staff shall be carried out in accordance with the terms of this Handbook and within the terms of contracts of employment.

The Head teachers and finance officers within each academy, in conjunction with the Executive Principal and the Principal Finance Officer, will prepare a recommendation for expenditure by reference to the anticipated budget provision of their academy, sufficiently in advance of each financial year, in order to allow due consideration and approval by the Finance and Premises Committee.

### 11.1 THE ROLE OF THE SCHOOL ADVISORY BOARDS

The school advisory boards have no direct role in academy financial administration.

### 11.2 THE ROLE OF THE FINANCE AND PREMISES COMMITTEE

The Finance and Premises Committee meet as necessary. Best practice will be to convene meetings at least once a term to:

- determine CPET's annual budget, including staffing
- consider reports from the Principal Finance Officer comparing expenditure with budget
- determine the written description of financial systems and procedures
- operate CPET's arrangements for obtaining quotations and inviting tenders
- agree any proposed write-offs and disposals of surplus stock and equipment
- determine insurance arrangements
- review cash flow management

- review the financial policies and procedures
- determine the limits of authority delegated to the Head teachers and the Principal Finance Officer and approve expenditure recommended by the Head teachers and the Principal Finance Officer above those limits

### 11.3 THE ROLE OF THE HEAD TEACHERS

The day-to-day operation of the individual academy budgets is delegated to the Head teachers, who are responsible for preparing their SIP and, in conjunction with the Principal Finance Officer:-

- their academy budget
- overseeing internal control systems and internal financial transactions in accordance with this Handbook
- ensuring adequate financial records are kept in accordance with the Academies Financial Handbook
- reviewing the budget monitoring report on a monthly basis (this should report any variations in expenditure against the approved budget plan)
- ensuring that returns to the ESFA and CPET are submitted according to published deadlines
- providing access to accounting and other relevant records to external and internal audit and implementing auditor recommendations where necessary
- ensuring that their academy inventory is maintained as accurately and as up to date as possible and ensuring that an independent check of the inventory is made at least once a year
- making recommendations for equipment to be written off or disposed of, ensuring that the disposal of such equipment is adequately recorded and is conducted in an open manner with income generated maximised
- ensuring that adequate procedures are in place for the prompt security marking of all items of a portable and desirable nature
- ensuring that adequate controls are in place to ensure that all responsibilities delegated are monitored
- ensuring a central file of all submitted applications for grant funding is maintained and counter sign any submissions for audit purposes

### 11.4 THE ROLE OF THE FINANCE TEAMS

Subject to and in accordance with individual job descriptions the Head teachers may delegate financial procedures to their finance team. The finance teams' roles may include:

- reviewing the monthly salary reports and signing and dating these to confirm they are accurate and noting any queries

- providing budget monitoring and outturn monthly reports with the Principal Finance Officer and Head teachers
- submitting pay returns to payroll as appropriate
- ensuring that invoice checking procedures are followed
- ensuring that, in conjunction with the Head teachers, authorisation of orders, invoices and schedules are in accordance with this Handbook and the Academies Financial Handbook
- prompt and intact banking of income and associated recording of income in accordance the Academies Financial Handbook
- operating the bank accounts of the academies as per this Handbook and the Academies Financial Handbook
- monitoring the cash flows of the academies
- assisting in the maintenance of accurate inventory and associated security procedures
- assisting in the preparation of the budget plans and the financial returns to the ESFA

### 11.5 THE ROLE OF THE STAFF

Staff involved in academy financial administration should:

- familiarise themselves with this Handbook
- conduct all financial transactions relating to the academies in accordance with this Handbook
- manage any budget delegated to them by the Head teachers responsibly, and after due consultation with other relevant staff
- actively seek 'best value' on all work, goods, materials or services procured on behalf of the academies
- ensure that all relevant documents (delivery notes, invoices etc.) are promptly passed to the finance teams for processing

## 12. LIMITS OF DELEGATION

The following limits will be applied to the academies in CPET and are further detailed in Appendix D.

### 12.1 ORDERS

The Principal Finance Officer can authorise amounts up to £50,000 on any single order. The Principal Finance Officer will, however, need to ensure compliance with financial regulations, as detailed in Section 9 Procurement.

The Executive Principal can authorise amounts up to £100,000 on any single order. The Executive Principal will, however, need to ensure compliance with financial regulations, as detailed in Section 9 Procurement.

Any sum over £100,000 on any single order requires the approval of the Finance and Premises Committee.

Anything over budget requires the approval of the Finance and Premises Committee to be evidenced by a cross reference to a signed copy of the minutes.

## 12.2 INVOICES

Invoices will be authorised for payment by the budget holder and then passed to the relevant finance office for recording and payment through the accounting system.

## 12.3 CHEQUES

All cheques and other instruments authorising withdrawal from the bank accounts, must bear the signatures of two authorised signatories in accordance with the bank mandates. Use of cheques is discouraged.

## 12.4 BACS PROCESSING

CPET bank with Barclays and use Barclays.net. CPET pay suppliers once per month. A batch of all due authorised invoices is generated by the finance officer in each individual school, bank account and supplier details checked and a BACS report from the accounting system is printed and signed. The BACS report and batch are passed to the Principal Finance Officer who will check bank account and supplier details, export details from the accounting system and upload them to the banking portal and authorise. A second BACS report is printed and signed and passed to the Deputy Director of Finance or a CMAT Accountant to check and approve. A third and final report is printed and signed. All three BACS reports are filed with the batch and returned to each school.

## 13. FINANCIAL REPORTS TO TRUSTEES

The Principal Finance Officer is responsible for providing the Finance and Premises Committee and the Board of Trustees with reports on the budgetary position of each academy at regular intervals. The reports should be produced on a monthly basis and sent and presented to the trustees at least once a term.

Financial reports should be reliable and relevant to users. The characteristics of good quality financial information are:

- Produced promptly. Financial reporting should be carried out in line with the Academies Financial Handbook

- Accurate. Actual expenditure appearing on the reports should agree to what has been processed in the accounting records. There should be a monthly reconciliation of the bank accounts to the accounting records. Where amounts have been charged to an academy and are still in dispute, these should still be included in the actual expenditure until queries have been resolved
- Complete. To provide trustees with a “true and fair” view of each academy’s financial position the reports must include committed expenditure. For information to be complete, expenditure that an academy has been committed to, including details of orders and invoices outstanding, must be included
- Understandable. Reports need to be understandable to the intended recipient; in particular financial reports to trustees should be jargon free
- Concise. Reports should be summarised and not contain unnecessary detail. Expenditure and budget totals should be summarised to the headings contained in the annual ESFA funding statement and in the annual accounts
- Include a profiled budget. To ascertain whether the level of expenditure to a given date is reasonable, the expected expenditure up to the same date should be provided by the inclusion of a profiled budget. Based on knowledge of an academy’s spending patterns, the profile looks at the total budget for the year and indicates what percentage of that budget it would be reasonable to have spent by the specified date
- Include explanatory notes. Where there are significant variances on budget headings an explanation should be provided with the reports. Proposed actions to address variances should also be reported and actions agreed should be minuted. Where large orders are due to be placed, this may also require a note to the reports
- Include a projected out-turn on at least a termly basis, which is an estimate of the final budget position of each academy at the end of the financial year

## 14. RECONCILIATION PROCEDURES

It is essential that thorough procedures are in place to ensure that all costs incurred and income received against each academy’s accounts are valid. The Head teachers of each academy are responsible for ensuring that controls are in place for these checks to be carried out. The Head teachers may delegate this role to the Principal Finance Officer.

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

- payroll- the finance officers receive monthly payroll reports from the EPM portal to check that transactions for supply staff, casual staff and overtime have been made correctly against authorised claim forms. The finance officers, in conjunction with the Principal Finance Officer, undertake a monthly reconciliation between the current month's actual expenditure and the budgeted payroll costs for their academy. The reconciliations should be signed by the Principal Finance Officer and the Head teachers to verify the accuracy of the payments made.
- bank balance per the nominal ledger to the bank statement – bank statements are sent weekly to the finance officers to ensure that all transactions have been processed. The Principal Finance Officer will reconcile the bank at least once per month. The reconciliation procedures must ensure that all bank accounts are reconciled to each academy's cash book. Reconciliations are subject to independent monthly review carried out by the Deputy Director of Finance with all adjustments arising dealt with promptly.
- procurement cards- all receipts must be produced and reconciled to the monthly statements by the finance officers and reviewed and signed off by the Principal Finance Officer.
- VAT– monthly VAT reports from the accounting system are reconciled with the sums due from HMRC with VAT Control account balances on the Trial Balance signed off as correct by the Principal Finance Officer.
- Other CPET month end systems- any unusual or long outstanding reconciling item must be brought to the attention of the Principal Finance Officer. The Principal Finance Officer will review and sign all reconciliations as evidence of their review.

## 15. OPERATION OF LOCAL BANK ACCOUNTS

Each academy must implement the following controls:

- a list of bank signatories (mandates) should be drawn up whereby all cheques and BACS' batched must have two authorised signatories (the finance officers, Head teachers, Executive Principal and Executive Principal's PA are all authorised).
- a minimum of three signatures should be maintained on the mandates
- the Head teachers and Executive Principal may sign all cheques other than those payable to themselves
- no member of staff is permitted to sign cheques payable to themselves or to someone closely connected to themselves or in whom they have a pecuniary interest
- The Principal Finance Officer and Deputy Director of Finance will sign off BACS runs and manage the bank accounts

Arrangements made with the bank must:

- include statements to be provided at least once a month
- not have an overdraft facility

Direct debit payments may be entered into for the payment of utility bills and other suppliers with whom an academy has a regular contract. The value of each direct debit should be reviewed and compared with invoices received from the suppliers. Suppliers paid by direct debit must be reviewed regularly, with reference to a contract register, to ensure that they continue to provide best value.

On receipt of the bank statements, the Principal Finance Officer will reconcile the bank balance to the balance held in the accounting system.

## **16. SECURITY, INVENTORIES, STOCKS AND DISPOSAL OF ASSETS**

CPET is responsible for maintaining proper security at all times for all buildings, stocks, stores, furniture, equipment, etc. under its control.

### **16.1 SECURITY**

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

Safes must be kept locked and keys removed. Keys to safes and cash boxes must be carried on the person of the nominated key holder at all times. The loss of such keys should be reported to the relevant Head teacher immediately.

Money left on the premises shall be secured in a locked safe, where provided, or in a locked secure cabinet. The insurance limit for cash (and cheques) held in a safe is £5,000 unless a higher limit is specifically agreed with the insurance provider.

Losses due to theft of stocks or cash shall be promptly reported to the Police, the relevant Head teacher and the Executive Principal.

Steps must be taken by the relevant Head teacher and CMAT ICT Manager to ensure that there are effective back up procedures for all computer systems. All back up disks, tapes, etc. should be securely retained in a fireproof safe or remote location, with at least one tape/disk held securely off-site. Backup procedures should be regularly checked and these checks documented.

Arrangements should be made to ensure that only authorised staff have access to computer hardware and software used for academy management. Passwords should not be disclosed or shared and should be changed regularly. Access rights of any staff leaving should be promptly revoked.

The Executive Principal and the Trust are registered with the Information Commissioner and should ensure compliance with all regulations relating to the Data Protection Act 2018.

## 16.2 INVENTORIES

The Principal Finance Officer in liaison with the finance officers should maintain a fixed asset register in which shall be recorded an adequate description of all land, buildings, moveable plant and machinery, vehicles, furniture, fittings and equipment belonging to each academy, where the current valuation (for property) or the acquisition cost (for other assets) is greater than the de-minimis level of £5,000.

The asset register should include the following information:

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

The asset register helps:

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

Fixed (tangible or intangible) assets are depreciated to reflect the recoverable amount in the financial statements, over the useful life of the asset.

The depreciation is calculated on an annual basis for preparation of the year end accounts.

The same method of depreciation is used for groups of assets. There may very occasionally be an asset that does not completely fit into one of the categories below and the Principal Finance Officer will discuss these items on an individual basis.

CPET has determined appropriate depreciation rates, based on the assessment of the useful economic life and expected residual value when the assets are acquired. Depreciation will be charged annually using the following straight line percentages:

- Freehold buildings: 2%
- Long Leasehold buildings: 2%
- Plant and machinery 10% (though 5% for some items)
- Furniture & equipment: 10% (20% for some climbing wall items)
- Computer equipment & software: 100% in the year of acquisition
- Motor vehicles: 20%

All the items in the fixed asset register are permanently and visibly marked as CPET'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 by CMAT internal audit promptly and, where significant, reported to the Executive Principal. Inventories of CPET property should be kept up to date and reviewed regularly. Where items are used by CPET, but do not belong to it, this should be noted for insurance purposes.

The immediate responsibility for the safeguarding of equipment lies with the end user departments. In support of this, CPET provides security measures, including site officer cover, burglar alarm systems, inventories, security marking, maintenance and support agreements, where appropriate, and insurance cover.

### 16.3 ACQUISITIONS AND DISPOSAL OF ASSETS

Assets acquired by CPET will be duly recorded in the trust balance sheet in an appropriate fashion following a valuation which meets accounting standards. Assets below £5,000 do not need to be included on the asset register.

Budget holders in each academy must notify their finance team of all items purchased with a value over £5,000 so that such purchases can be recorded on a monthly basis. These records should form the basis for adding items to the asset register.

CPET must seek and obtain prior written approval from the Secretary of State, via the ESFA, for the following transactions:

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

- disposing of heritage assets beyond any limits set out in CPET's funding agreement in respect of the disposal of assets generally. Heritage assets are assets with historical, artistic, scientific, technological, geophysical or environmental qualities that are held and maintained principally for their contribution to knowledge and culture, as defined in applicable financial reporting standards

Academies may dispose of any other fixed asset (i.e. other than land, buildings and heritage assets as described above) without the approval of the Secretary of State. Any disposal must maintain the principles of regularity, propriety and value for money. This may involve public sale where the assets have a residual value (see Appendix K).

Some property transactions may be novel or contentious and so require the consent of the Secretary of State on that basis. Novel payments or other transactions are those in which the academy or CPET has no experience, or are outside the range of the normal activities of CPET. Contentious transactions are those which might give rise to criticism of CPET by the public or the media. It is difficult to be specific about what might constitute novel or contentious payments; it is for the CPET trustees to use their judgment about when they should seek the prior advice of the ESFA. Public money must always be spent prudently and in ways that command broad public support.

Items which are to be disposed of by sale or destruction must be authorised for disposal by the relevant Head teacher and, where significant, should be sold following due process:

- taking reasonable steps to advertise the disposal
- inviting bids for the asset (sealed bids are preferable)
- negotiating with potential purchasers

CPET must seek the approval of the DfE in writing if it proposes to dispose of an asset for which a capital grant in excess of £20,000 was paid.

CPET may agree to give assets bought for a proper purpose, but which are no longer needed for the conduct of its activities, to a charity, up to a maximum value of £1,000 per single donation. The residual value of assets is determined by the greater of the written down value or market value.

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

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

#### 16.4 LOAN OF EQUIPMENT

Items of CPET property must not be removed from academy premises without the authority of the head of department or relevant Head teacher. A record of the loan must be recorded with the appropriate finance office and the asset booked back in when it is returned.

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 CMAT internal audit team.

### 17. CHARGING & HIRING

#### 17.1 CHARGING

The aims of the Charging Policy (see Appendix L) are:

- to make a broad programme of trips and activities accessible to as many pupils as possible.
- to establish and maintain a fair and coherent system of charges within the constraints of CPET's budget.

#### 17.2 HIRING

The full costs of hiring the premises will be charged to all users. The basis for charges are set and reviewed annually by the Finance and Premises Committee.

Terms and Conditions of hire covering the hire of academy premises are available from the finance offices. All hiring will be quoted for on an individual basis to ensure full cost recovery plus an element of profit, which is consistent with other similar hiring.

See Hiring Policy (Appendix M) for details

#### 17.3 MUSICAL INSTRUMENT TUITION

Charges will be made for musical instrument tuition provided to individual pupils or in groups of up to four pupils. This tuition is an optional extra. No charge will apply for musical instrument tuition which is an essential part of the national curriculum or part of an academy's basic curriculum for religious education.

Most musical tuition is provided directly from external tutors under contract with the parents and CPET staff will only deliver this on occasion. Pupils eligible for free school meals (but excluding universal infant free school meals) will be provided tuition at no cost. The academies will fund this in full.

#### 17.4 UNPAID CHARGES

In circumstances where legitimate charges have been clearly notified to the customer but continue to remain unpaid, CPET reserve the right to carry out the following actions:

- issue a reminder letter requesting payment within ten days
- if payment continues to remain outstanding, a 'Notice of Intended Proceedings' letter will be issued requesting payment within seven days. The letter will clearly state CPET's intention to pursue the matter through the small claims court and the possible effects of such an action (for example the inability of the customer to obtain future credit)
- if payment continues to remain outstanding, the Head teacher of the academy having the debt will decide whether it is appropriate to instruct CPET's legal representative to issue a county court summons in order to recover the outstanding debt. No further warnings will be issued to the debtor
- CPET reserves the right to prevent pupils and their siblings from participating in any non-curricular activities whilst any of the above debt recovery processes are being undertaken
- entries in the hiring diaries specific to the debtor, will be suspended with immediate effect as soon as the 'Notice of Intended Proceedings' letter has been posted. The decision whether to re-instate any future bookings will remain at CPET's discretion

#### 18. INSURANCE ARRANGEMENTS

CPET will take out such insurance as it sees fit and/or as it is advised, and to comply with statutory requirements. CPET has the following insurance cover as standard:

- Buildings and contents
- Business continuity
- Employer's and Public Liability
- Legal expenses
- Academy Journey
- Libel
- Money

- Personal Accident
- Hirer's Liability
- Trustee's Liability
- Governor's Liability
- Business Interruption
- Fidelity Guarantee
- Engineering Inspections

All risks will be reviewed annually to ensure that the cover is adequate.

All contractors must have public liability insurance before they are allowed to undertake work on academy premises.

People hiring academy premises and using facilities should either be covered by CPET's insurance at an additional cost, or must produce evidence of having valid public liability insurance with indemnity up to £5,000,000.

## 19. RECEIVING INCOME

The main sources of income for the academies are the grants from the Education Funding Agency (ESFA). The receipt of these sums is monitored directly by the Principal Finance Officer who is responsible for ensuring that all grants due to each academy are collected.

Academies also obtain income from:

- student teachers from universities and other institutions
- hiring of premises and facilities
- meal sales
- uniform sales
- pupils, mainly for trips
- external peer review
- other support services

Charges can also be made to pupils to defray the costs of certain activities (see section 17 Charging & Hiring). Certain curriculum departments generate some income through entrepreneurial activities. Such charges should be made in accordance with CPET's Charging Policy (Appendix L).

Premises hire charges are determined by CPET's Hiring Policy (Appendix M), unless exceptional circumstances require otherwise.

Bookings for lettings are made through the finance or administration staff. Lists of hires for invoices will be prepared and sent to the finance offices.

All monies must be banked, in their entirety, in the appropriate bank account. The finance officers are 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 and must be reviewed and certified by the Principal Finance Officer.

All outstanding invoices should be reviewed each month by the finance officers and pursued to ensure that the academies receive all monies due.

## 20. MISCELLANEOUS ISSUES

### 20.1 REGISTER OF PECUNIARY (BUSINESS) INTERESTS

The Trust and School Advisory Boards shall maintain 'Registers of Pecuniary Interests' that list the personal interests, financial or otherwise, that could be deemed a potential conflict of interest for any trustee, governor, or any member of staff. All trustees, governors and members of staff shall declare in writing if they have a pecuniary interest in a personal capacity in any contract with CPET.

The clerks of CPET and the School Advisory Boards shall keep the registers up to date as new trustees, governors or staff join with annual reviews carried out. The pecuniary interest forms should contain the following information:

- the name of the relevant member of staff
- the organisation the member of staff has an interest in
- what the interest is

Those trustees, governors or staff not holding any pecuniary interests must submit a nil return.

The Register relating to trustees' interests will be uploaded to CPET's website, maintained and reviewed.

### 20.2 GIFTS

See Gifts & Hospitality Policy (Appendix N).

### 20.3 EXPENSES PAID TO TRUSTEES AND GOVERNORS

The Board of Trustees and School Advisory Boards play key roles in the success of CPET. Individual trustees and governors should not be deterred from playing their full part because of incidental costs. Payments can only be paid in respect of expenditure necessarily incurred for the purposes of enabling the person to perform any duty as a trustee and/or/governor. This would not include payments to cover loss of earnings for attending meetings.

The following expenses can be claimed.

- care arrangements for a dependent relative (including childcare or babysitting) at a rate of £5 per hour
- telephone charges, photocopying and stationery at cost
- travel and subsistence at a rate of 35p per mile
- support for governors and trustees whose first language is not English (translations)
- support for governors and trustees with special needs (e.g. audio equipment)

Travel expenses must be paid at a rate not exceeding the maximum level of HMRC's approved mileage rates. The HMRC rates are changed periodically and can be found at <https://www.gov.uk/government/publications/rates-and-allowances-travel-mileage-and-fuel-allowances/travel-mileage-and-fuel-rates-and-allowances> If CPET has any doubt about whether or not payments made under its scheme attract a tax liability, it should contact HMRC for advice. Other expenses should be paid on the provision of a receipt (at a rate predetermined by CPET and set out in its scheme) and should be limited to the amount shown on the receipt.

Any trustee or governor wishing to make a claim for expenses should obtain written approval, in principle, in advance of incurring the expense.

Expenses claimed by a trustee should be reviewed and signed by the Chair of the Trust prior to submission for payment.

Expenses claimed by a governor should be reviewed and signed by the Chair of the relevant School Advisory Board prior to submission for payment.

CPET should make provision from within the delegated budget if they anticipate expenditure in making adjustments for disabled trustees or governors or in providing support to those trustees or governors whose first language is not English.

Claims should be submitted to the relevant finance office.

#### 20.4 AUDIT AND INTERNAL AUDIT

Random internal audits take place during each academic year and are performed by an internal auditor employed by CMAT. This provides advice to management and the Finance & Premises Committee in respect of control matters and reviews the adequacy and effectiveness of the internal systems which have been put in place (including those intended to minimise the potential exposure to fraud and corruption).

The Trust is required to submit the accounts for an annual audit. This requires external auditors to be appointed by putting out to tender. The academies receive an end of

year audit in preparation for submitting the Trust's end of year accounts to Companies House.

## Part Three

### APPENDICES

#### APPENDIX A

#### Whistleblowing Policy

The purpose of this policy is to make clear that employees can and should voice concerns without fear of victimisation, subsequent discrimination or disadvantage. It is intended that this policy will encourage and enable employees to raise serious concerns within CPET and its academies rather than overlooking a problem or 'whistleblowing' outside the organisation.

##### Applicability

This policy applies to all employees within CPET whether on a permanent or on a fixed term contract. It also applies to contractors working for CPET.

##### Roles and Responsibilities

CPET along with the School Advisory Boards and management of the CPET academies has overall responsibility for ensuring that the Whistleblowing Policy is managed appropriately in accordance with this agreed procedure.

The Executive Principal and Head teachers along with line managers are responsible for making employees aware of the existence of this policy. The Executive Principal is responsible for maintaining a record of concerns raised and outcomes (but in a form which does not endanger confidentiality) and will report to the relevant School Advisory Board and CPET as necessary.

Employees are responsible for making themselves familiar with and complying with this policy.

##### Policy

Employees could be the first to realise that there may be something seriously wrong within an individual academy or CPET itself. However, they may not express their concerns because they feel that speaking up would be disloyal to their colleagues or to the academy or CPET. They may also fear harassment or victimisation. In these circumstances the employee may feel it is easier to ignore the concern rather than report what may just be a suspicion of malpractice.

CPET is committed to the highest possible standards of openness, probity and accountability. In line with that commitment CPET expects employees, and others that

it deals with, who have serious concerns about any aspect of CPET's work to come forward and voice those concerns. It is recognised that most cases will have to proceed on a confidential basis.

This policy aims to encourage employees to feel confident about raising serious concerns and to question and act upon concerns about practice and to provide avenues for employees to raise those concerns and receive feedback on any action taken. The policy also aims to reassure employees that they will be protected from possible reprisals or victimisation if they have a reasonable belief and have made any disclosure in good faith.

A grievance procedure exists to enable an employee to lodge a grievance relating to his/her own employment. The Whistleblowing Policy is intended to cover major concerns that fall outside the scope of other procedures. This includes:

- conduct which is an offence or breach of the law
- disclosures related to miscarriages of justice
- serious health and safety risks, including risks to the public as well as other employees
- serious damage to the environment
- the unauthorised use of public funds
- sexual or physical abuse of pupils
- unethical conduct

Any serious concerns that an employee may have about any aspect of conduct by employees of CPET or others acting on behalf of CPET may be reported under this policy. This policy does not replace CPET's complaints procedure.

#### Safeguards against harassment or victimisation

CPET recognises that the decision to report a concern can be a difficult one to make. If what the employee is saying is true, or they have a reasonable belief that it is true, the employee will have nothing to fear because they will be doing their duty to CPET and pupils.

CPET will not tolerate any harassment or victimisation (including informal pressure) and will take appropriate action to protect employees when concerns are raised in good faith.

Any investigation into allegations of potential malpractice will not influence, or be influenced by, any disciplinary or redundancy procedures that already affect an employee.

## Confidentiality

All concerns will be treated in confidence and every effort will be made not to reveal the identity of an employee who raises allegations under this policy. At the appropriate time, however, the employee may need to come forward as a witness.

Employees are encouraged to put their name to allegations wherever possible. This is because concerns expressed anonymously are much more difficult to investigate. Therefore anonymous allegations will be considered at the discretion of the Executive Principal in consultation with the Chair of CPET and the Head teacher and Chair of the School Advisory Board for the relevant academy.

## **Untrue allegations**

If an employee makes an allegation in good faith, but it is not confirmed by the investigation, no action will be taken against the employee. If however, the employee makes an allegation frivolously, maliciously or for personal gain, disciplinary action will be taken against the employee.

## **How to raise a concern**

In most circumstances the employee should raise concerns with their immediate line manager. This depends, however, on the seriousness and sensitivity of the issues involved and who is suspected of malpractice. For example, if the employee believes that senior management is involved, the employee should approach the Executive Principal, Head teacher of the relevant academy, Chair of the School Advisory Board of the relevant academy or the Chair of the Board of Trustees.

Concerns may be raised verbally or in writing. It is helpful for the following information to be provided: the background and history of the concern (giving relevant names and dates) and the reason why the employee is particularly concerned about the situation.

The earlier the employee expresses the concerns, the easier it will be to take action.

Although the employee is not expected to prove beyond reasonable doubt the truth of an allegation, the employee should demonstrate to the person contacted that there are reasonable grounds for the concern.

The employee may wish to consider discussing the concern with a colleague or trade union representative first and may find it easier to raise matter if there are other colleagues who have the same experience or concerns.

## How CPET will respond

CPET may need to test out the concerns. Where appropriate the concerns may be investigated by management, this could be through the disciplinary process where relevant; or form the subject of an independent inquiry.

In order to protect individuals and those accused of malpractice, initial enquiries will be made to decide whether an investigation is appropriate, and if so, what form it should take. Some concerns may be resolved by agreed action without the need for investigation.

Within 10 working days of a concern being raised the Executive Principal or Chair of CPET will write to the employee:

- acknowledging that a concern has been raised
- indicating how it is proposed to deal with the matter
- giving an estimate of how long it will take to provide a final response
- telling the employee whether any initial enquiries have been made
- telling the employee whether further investigations will take place and if not, why not

The amount of contact between the individual considering the issue and the employee who raised the issue will depend on the nature of the matters raised; the potential difficulties involved and the clarity of information provided. If necessary, CPET will seek further information from the employee.

CPET accepts that the employee will need to be assured that matter has been properly addressed and therefore CPET will inform the employee of the steps that have been taken to resolve the matter as appropriate. Where the employee has raised concerns in writing, then CPET should confirm their course of action in writing also.

#### How the matter can be taken further

The aim of this policy is that employees should be able to raise concerns internally and it is hoped that the employee will be satisfied with any action taken. If this is not the case and the employee wishes to take the matter outside of CPET then the following are possible contact points:

- public concern at work
- audit commission
- a relevant trade union
- citizens advice bureau
- relevant professional bodies
- regulatory organisations
- local police

If the employee chooses to take the matter outside of CPET then the employee should ensure that they do not disclose confidential information. An employee should not take concerns directly to the media.

## APPENDIX B

### Service Level Agreement

THIS AGREEMENT is made

2019

BETWEEN:

- (1) **Cambridge Meridian Academies Trust** incorporated and registered in England and Wales with company number 7552498 whose registered office is at Swavesey Village College, Swavesey, Cambridge (**CMAT**); and
- (2) **Cambridge Primary Education Trust (CPET)** incorporated and registered in England and Wales with company number 8304433 whose registered office is at Histon and Impington Junior School, The Green, Histon.

together being “**the Parties**”

**Recitals:**

- (A) CPET has a need for finance, IT and estates services as detailed in Schedule A (“the Services”). CMAT has the requisite skill in providing the Services
- (B) CMAT accepts the appointment to provide the Services on the terms set out in this Agreement.

**Operative provisions:**

#### 1 DEFINITIONS

In this Agreement unless the context shall otherwise require the following words and expressions shall have the following meanings:

“**CEDR**” means the Centre for Effective Dispute Resolution;

“**CMAT Brand**” means the Trade Marks and all literary and artistic works embodied in the CMAT name, logos, get-up and other distinguishing features and goodwill therein along with the copyright and rights in respect of goodwill therein;

“**CMAT Concepts**” means expertise, experience and know-how embodied in CMAT educational concepts, concept-support systems and business concepts (including the strategies, methods and other knowledge that CMAT might share with the CPET to enable them to provide the Services) but excluding any CMAT IP therein;

“**CMAT IP**” means any and all IP of CMAT or its licensors in CMAT Materials and/or in any material provided to CPET directly, or indirectly, by CMAT;

“**CMAT Materials**” mean CMAT Concepts, CMAT literary and artistic works on databases that make up CMAT bespoke learning materials including the materials and tools provided to students), and CMAT training and training/teaching materials (including the curriculum structures and content);

**“Charges”** means the sum payable by CPET to CMAT for the Services pursuant to clause 5. The Charges shall be inclusive of all costs and expenses incurred by CMAT in providing the Services;

**“Commencement Date”** means 25<sup>th</sup> March 2019;

**“DPA”** means the Data Protection Act 2018 including all applicable laws and regulations pertaining or relating to it and including any amendment or re-enactment;

**“Data Protection Legislation”** means 1) unless and until EU Regulation 2016/679 General Data Protection Regulation (“GDPR”) is no longer directly applicable in the UK, the GDPR and any national implementing laws, regulations, and secondary legislation (as amended from time to time), in the UK and subsequently 2) any legislation which succeeds the GDPR;

**“DfE”** means Department for Education or any successor body which replaces it;

**“EIR”** means Environmental Information Regulations 2004;

**“ESFA”** means Educational and Skills Funding Agency;

**“FOI Legislation”** means the Freedom of Information Act 2000 (as amended from time to time) and any subordinate legislation made under it or any superseding enactment and regulations, the Environmental Information Regulations 2004 and any (statutory) guidance issued by the Department for Constitutional Affairs, the Department for Environment and Food and Rural Affairs (or Government departments superseding these in relation to FOI Legislation) or the Information Commissioner;

**“Funding Agreement”** means the Master Funding Agreement entered into by the Secretary of State and CMAT from time to time;

**“IP”** means patent, copyright, database right, and design right (whether registered or unregistered) including all reversions and renewals or any other right of a similar nature (but excluding trademarks and rights in respect of goodwill and also excluding any obligation of confidence or other similar right protecting confidential information);

**“Losses”** means losses, damages, liabilities (including any liability to taxation), claims, costs and expenses including fines, penalties, legal and other professional fees and expenses and **“Loss”** shall be construed accordingly;

**“Personal Data”** shall have the meaning given to it in the DPA;

**“Regulated Activity”** in relation to children shall have the same meaning as set out in Part 1 of Schedule 4 to the Safeguarding Vulnerable Groups Act 2006 and in relation to vulnerable adults shall have the same meaning as set out in Part 2 of Schedule 4 to the Safeguarding Vulnerable Groups Act 2006;

**“Regulated Activity Provider”** shall have the same meaning as set out in section 6 of the Safeguarding Vulnerable Groups Act 2006;

**“Replacement Provider”** means a person who provides CPET with services similar to the Services (or some of them) following termination of this Agreement (and, if the context admits, includes any person who is seeking or offering to provide such services);

**“Secretary of State”** means the Secretary of State for Education or any successor body;

**“Staff”** means any and all employees, consultants, workers or other persons employed or otherwise engaged by CMAT and assigned or seconded by CMAT to provide the Services to CPET;

**“the Term”** means the period commencing on the Commencement Date and expiring on 24<sup>th</sup> March 2022 unless extended by the parties in writing in accordance with clause 9;

**“TUPE”** means the Transfer of Undertakings (Protection of Employment) Regulations 2006;

**“Territory”** means England;

**“Trade Marks”** means the CMAT name, logos and get-up and any applications or registrations thereof anywhere in the Territory (or outside of the Territory but enforceable within the Territory);

**“VAT”** means value added tax at the applicable rate from time to time;

**“Working Day”** means Monday to Friday, excluding any public holidays in England and Wales.

- 1.1 A reference in this Agreement to clauses and Schedules are to clauses and Schedules to this Agreement and references within a Schedule to paragraphs and Parts are to paragraphs and Parts of that Schedule and shall have effect as if set out herein.
- 1.2 The list of contents and the clause and paragraph headings are inserted for guidance only and shall not affect the meaning or interpretation of any part of this Agreement.
- 1.3 References to any statute or statutory provision include references to that statute or statutory provision as from time to time amended, extended or re-enacted and to any rules, orders, regulations and delegated legislation made thereunder.
- 1.4 Words importing the singular shall include the plural and vice versa; words importing the masculine shall include the feminine and neuter and vice versa; words importing persons shall include bodies corporate, unincorporated associations and partnerships.
- 1.5 **“Including”** shall mean “including without limitation” and **“include”** shall be construed accordingly.
- 1.6 References to persons shall include references to natural persons, firms, partnerships, companies, corporations, associations, organisations, governments and foundations (in each case whether or not having separate legal personality) and that person's successors and permitted assigns.

## 2 APPOINTMENT & SUPPLY OF THE SERVICES

- 2.1 CMAT agree that during the Term CMAT shall provide the Services in accordance with the provisions of this Agreement.
- 2.2 Without prejudice to clause 2.3, CMAT shall use its reasonable endeavours to provide the Services, or procure that they are provided:
  - (a) with reasonable skill and care and shall have regard to any guidance and policies issued by the DfE and the ESFA from time to time which is relevant to the provision of the Services; and
  - (b) in accordance with all applicable laws.

- 2.3 CMAT shall at all times provide the Services with such care and skill and shall engage in good faith in constructive dialogue with regards to any reasonable requests from CPET in respect of the delivery of the Services.
- 2.4 CMAT agrees to work and co-operate with CPET and its officers, employees and other personnel (including contractors) to the extent necessary for the provision of the Services.
- 2.5 CPET shall provide CMAT with:
- (a) all reasonably necessary co-operation in relation to this Agreement;
  - (b) all necessary access to such information as may be reasonably required by CMAT and in the reasonable timescales requested by CMAT;
  - (c) in order to render the Services, access to all data, security, information and software interfaces that it reasonably requires to provide on the Services and subject to CMAT complying with its obligations under the DPA and its information security policies; and
  - (d) such assistance, as may reasonably be requested by CMAT from time to time.
- 2.6 CMAT shall comply and shall use its reasonable endeavours to procure that its respective staff and officers (including contractors) involved in the delivery of the Services comply with all applicable laws and regulations with respect to its responsibilities and obligations set out in this Agreement or in any of the schedules or annexes to this Agreement in a timely and efficient manner.
- 2.7 CPET shall as soon as reasonably possible notify CMAT of any correspondence it sends or receives (in whatever format) to a third party concerning any matter pertaining to the Services (and immediately in respect of any significant correspondence or discussions relating to the Services) and shall provide CMAT with a copy of such correspondence or information as soon as reasonably practicable.
- 2.8 CMAT shall as soon as reasonably possible notify CPET of any correspondence it sends or receives (in whatever format) on behalf of CPET concerning any matter pertaining to CPET (and immediately in respect of any significant correspondence relating to CPET) and shall provide CPET with a copy of such correspondence or information as soon as reasonably practicable.
- 2.9 Where reasonably requested to do so by CPET, CMAT shall attend any meetings or discussions with the ESFA, DFE or Local Authority in respect of the operation of CPET provided that CPET shall give CMAT at least five Working Days' notice of the same (such notice to include details of the time and location of the meeting).

### 3 STAFFING

#### **Staff Vetting**

- 3.1 The Parties acknowledge that the Services include the provision by CMAT of appropriate Staff to carry out the Services.
- 3.2 CMAT shall ensure it has in place a policy for the vetting of all Staff employed or engaged in the provision of the Services (a copy of which shall be provided to CPET on or prior to the Commencement Date). The parties acknowledge that CMAT is a Regulated Activity Provider with ultimate responsibility for the management and control of the Regulated Activity provided under this Agreement and for the purposes of the Safeguarding Vulnerable Groups Act 2006.

- 3.3 In providing Staff to carry out the Services CMAT shall:
- (a) ensure that all individuals engaged in Regulated Activity are subject to a valid enhanced disclosure check for regulated activity undertaken through the Disclosure and Barring Service (“DBS”); and
  - (b) monitor the level and validity of the checks under this clause 3.3 for each member of Staff;
  - (c) not employ or use the services of any person who is barred from, or whose previous conduct or records indicate that he or she would not be suitable to carry out Regulated Activity or who may otherwise present a risk to service users.
- 3.4 CMAT warrants that at all times for the purposes of this Agreement it has no reason to believe that any individual member of Staff is barred from the activity in accordance with the provisions of the Safeguarding Vulnerable Groups Act 2006 and any regulations made thereunder, as amended from time to time.
- 3.5 CMAT shall immediately notify CPET of any information that it reasonably requests to enable it to be satisfied that the obligations of this clause have been met.
- 3.6 CMAT shall refer information about any individual member of Staff to the DBS where it removes permission for such person to carry out the Services (or would have, if such person had not otherwise ceased to carry out the Services) because, in its opinion, such person has harmed or poses a risk of harm to children.

#### **Staff Solicitation**

- 3.7 CPET shall not during the Term, without the prior written consent of CMAT and for 12 months following the expiry of the Term solicit or entice away from CMAT or employ or attempt to employ any person who is, or has been, engaged as an employee, consultant or subcontractor of CMAT in the provision of the Services.
- 3.8 CMAT shall not during the Term, without the prior written consent of CPET and for 12 months following the expiry of the Term solicit or entice away from CPET or employ or attempt to employ any person who is currently employed by CPET.

#### **Staff Performance Monitoring**

- 3.9 Nominated representatives of CPET and CMAT will meet (before the end of the first school term in the first year of the Agreement and in any event before 19<sup>th</sup> December 2019) to agree appropriate procedures for the monitoring of the performance and development of the Staff, such procedures only to be applicable whilst the Staff are engaged in the performance of the Services.

#### **No transfer**

- 3.10 The Parties do not intend that the provision of the Services by CMAT shall amount to the transfer of the operational functions of CPET to CMAT.
- 3.11 The Parties acknowledge and agree that TUPE will not apply at any time to transfer the employment of any Staff to CPET during the provision of the Services and confirm that appropriate secondment and / or consultancy arrangements are in place in respect of such individual members of Staff. Any and all individual members of Staff will remain employed by CMAT for the duration any time during which they are involved in providing the Services and thereafter they will revert to their original roles with CMAT.

## 4 CHIEF FINANCIAL OFFICER

- 4.1 CPET shall appoint Helen Anderson as the Chief Financial Officer (“the CFO”)
- 4.2 The CFO shall have access to and appropriate oversight of financial transactions by:
- ensuring that CPET’s property and assets are under the control of the Trustees of CPET, and measures exist to prevent losses or misuse
  - ensuring that bank accounts, financial systems and financial records are operated by more than one person
  - keeping full and accurate accounting records to support CPET’s annual accounts
- 4.3 The CFO shall provide financial support and advice to the Executive Principal, the Trustees and finance staff of CPET.

## 5 PAYMENT

### **Charges at Cost**

- 5.1 In consideration of the provision of the Services in accordance with the terms and conditions of this Agreement, CPET shall pay the Charges at Cost to CMAT.
- 5.2 CMAT will use reasonable endeavours to ensure that the Services are delivered to ensure CPET can be satisfied that value for money is being obtained from the Services charged for.
- 5.3 Wherever possible and practicable the Charges will be agreed in advance, predominantly identified at the start of the financial year as part of the setting and approval of the Budget.
- 5.4 CMAT agrees that the Charges will relate solely to the provision of the Services to CPET and that if the cost of staff who also provide services to other schools or academies form part of the Charges, those costs will be fairly and reasonably apportioned so as to provide no subsidy to any other academy or CPET.
- 5.5 CMAT shall invoice CPET for payment of the Charges relating to each calendar month on the first day of the calendar month on which the Charges will arise.
- 5.6 Where CMAT submits an invoice to CPET in accordance with clause 5.5, CPET will consider and verify that invoice within 14 days.
- 5.7 CPET shall pay CMAT any sums due under such an invoice no later than a period of 30 days from the date of receipt.
- 5.8 Where CPET fails to verify the invoice in accordance with clause 5.6, the invoice shall be regarded as valid and undisputed 21 days after the date on which it is received by CPET.
- 5.9 Where any party disputes any sum to be paid by it then a payment equal to the sum not in dispute shall be paid and the dispute as to the sum that remains unpaid shall be determined in accordance with clause 11. Provided that the sum has been disputed in good faith, interest due on any sums in dispute shall not accrue until the earlier of 14 days after resolution of the dispute between the parties.
- 5.10 CMAT shall maintain complete and accurate records of, and supporting documentation for, all amounts which may be chargeable to CPET pursuant to this

agreement. Such records shall be retained for inspection by CPET for 7 years from the end of the Year to which the records relate.

- 5.11 CPET shall make any payments due to CMAT without any deduction whether by way of set-off, counterclaim, discount, abatement or otherwise, unless CPET has a valid court order requiring an amount equal to such deduction to be paid.
- 5.12 All reasonable travelling subsistence and other out of pocket expenses incurred by CMAT relating to CPET shall be included within the Charges. No additional expenses will be paid.

## 6 PAYMENT TERMS

- 6.1 If CPET fails to make a payment to CMAT in the period set out in clause 5 then CMAT shall be entitled to charge interest at a rate of 3% per annum in respect of that late payment until payment is made in full or judgement.
- 6.2 Save insofar as otherwise expressly provided, all amounts stated in this Agreement are exclusive of VAT and any VAT arising in respect of any supply made hereunder shall, on the issue of a valid tax invoice in respect of the same, be paid to CMAT by CPET in addition to any other consideration payable therefore.

## 7 REPORTING AND MONITORING

- 7.1 CPET shall monitor the performance of the Services provided by CMAT.
- 7.2 CMAT shall co-operate and shall use its reasonable endeavours to procure that its Sub-Contractors co-operate, with CPET in carrying out the monitoring referred to in clause 7.1.
- 7.3 CPET and CMAT shall schedule a meeting to monitor and review the performance of this Agreement during the first term of each academic year. Such meetings shall be called by CMAT giving CPET at least 10 Working Days' notice of the same (such notices to contain the locations and times of the meetings). CMAT shall provide a copy of the agenda for each meeting and any supporting reports to CPET at the same time as the notice.

## 8 REPORTING AND RIGHTS OF INSPECTION AND MONITORING

CPET and CMAT will maintain an open book policy in respect of the provision of the Services and on request allow a representative of the other party to inspect the books and records which relate to the Services.

## 9 TERM AND TERMINATION

- 9.1 This Agreement shall remain in force for the duration of the Term.
- 9.2 At least three months prior to the expiry of the Term, the parties should agree in writing whether to extend the Term or terminate this agreement at the agreed date of 24<sup>th</sup> March 2022.
- 9.3 Either CPET or CMAT may terminate this Agreement at any stage after 24<sup>th</sup> March 2020 without cause by providing to the other Party six calendar months prior written notice to so terminate.

- 9.4 CPET may terminate this Agreement immediately if CMAT enters into compulsory or voluntary liquidation or convenes a meeting with its creditors or has a receiver or manager or an administrative receiver or an administrator appointed over its assets (or suffers any similar appointment or process under the law of its place of incorporation or domicile) or permanently ceases for any reason to carry on business or if the Funding Agreement is terminated.
- 9.5 Subject to clause 6.1, if CPET fails to pay the Charges in the timescale set out in clause 5 then CMAT shall issue a warning letter to CPET. If CPET fails to pay the Charges within 30 Working Days of the receipt of the warning letter then CMAT shall be entitled to terminate this Agreement immediately.
- 9.6 Either CPET or CMAT may terminate this Agreement if the other Party is in material breach of the terms of this Agreement.

## 10 CONSEQUENCES OF TERMINATION

- 10.1 Termination of this Agreement shall not affect any accrued rights or remedies to which any party to this Agreement is entitled as of the date of termination.
- 10.2 On termination of this Agreement for any reason, CMAT shall fully co-operate with CPET and provide all reasonable assistance to ensure an orderly migration of the Services to CPET (or at CPET's request to a Replacement Provider).
- 10.3 In the event that this Agreement terminates for any reason the right for CPET to use CMAT Brand and CMAT Materials shall also terminate unless agreed otherwise between the Parties in writing.
- 10.4 This clause shall survive termination of the Agreement.

## 11 RESOLUTION OF DISPUTES

- 11.1 In the event of any complaint or dispute arising between CPET and CMAT in connection with this Agreement the matter should first be referred for resolution to the Chair of CPET and the Chair of CMAT who shall each nominate a representative to resolve the matter.
- 11.2 Should the complaint or dispute remain unresolved within 28 days of the matter first being referred to those persons referred to in clause 11.1, or such other period as may be mutually agreed by CPET and CMAT, CPET and CMAT may seek to resolve the matter through mediation under the CEDR Model Mediation Procedure (or such other appropriate dispute resolution model as is agreed by the Parties). Unless otherwise agreed, CPET and CMAT shall bear the costs and expenses of the mediation equally.
- 11.3 Recourse to mediation shall not be binding on CPET or CMAT as to submission to the mediation nor as to its outcome. Accordingly, all negotiations connected with the dispute shall be conducted in strict confidence and without prejudice to the rights of CPET and CMAT in any future legal proceedings.

## 12 DATA PROTECTION

- 12.1 In this Clause 12, "personal data", "data subject", "data controller", "data processor", and "personal data breach" shall have the meanings defined in Article 4, EU Regulation 2016/679 General Data Protection Regulation ("GDPR").

- 12.2 The Parties hereby agree that they shall both comply with all applicable data protection requirements set out in the Data Protection Legislation. This Clause 12 shall not relieve either Party of any obligations set out in the Data Protection Legislation and does not remove or replace any of those obligations.
- 12.3 For the purposes of the Data Protection Legislation and for this Clause 12, CPET is the “Data Controller” and CMAT is the “Data Processor”.
- 12.4 The Data Controller shall ensure that it has in place all necessary consents and notices required to enable the lawful transfer of personal data to the Data Processor for the purposes described in this Agreement.
- 12.5 The Data Processor shall, with respect to any personal data processed by it in relation to its performance of any of its obligations under this Agreement:
- 12.5.1 Process the personal data only on the written instructions of the Data Controller unless the Data Processor is otherwise required to process such personal data by law. The Data Processor shall promptly notify the Data Controller of such processing unless prohibited from doing so by law.
  - 12.5.2 Ensure that it has in place suitable technical and organisational measures (as approved by the Data Controller) to protect the personal data from unauthorised or unlawful processing, accidental loss, damage or destruction. Such measures shall be proportionate to the potential harm resulting from such events, taking into account the current state of the art in technology and the cost of implementing those measures.
  - 12.5.3 Ensure that any and all staff with access to the personal data (whether for processing purposes or otherwise) are contractually obliged to keep that personal data confidential; and
  - 12.5.4 Not transfer any personal data outside of the European Economic Area without the prior written consent of the Data Controller and only if the following conditions are satisfied:
    - The Data Controller and/or the Data Processor has/have provided suitable safeguards for the transfer of personal data;
    - Affected data subjects have enforceable rights and effective legal remedies;
    - The Data Processor complies with its obligations under the Data Protection Legislation, providing an adequate level of protection to any and all personal data so transferred; and
    - The Data Processor complies with all reasonable instructions given in advance by the Data Controller with respect to the processing of the personal data.
  - 12.5.5 Assist the Data Controller at the Data Controller’s cost, in responding to any and all requests from data subjects in ensuring its compliance

with the Data Protection Legislation with respect to security, breach notifications, impact assessments, and consultations with supervisory authorities or regulators (including, but not limited to, the Information Commissioner's Office);

12.5.6 Notify the Data Controller without undue delay of a personal data breach;

12.5.7 On the Data Controller's written instruction, delete (or otherwise dispose of) or return all personal data and any and all copies thereof to the Data Controller on termination of this Agreement unless it is required to retain any of the personal data by law; and

12.5.8 Maintain complete and accurate records of all processing activities and technical and organisational measures implemented necessary to demonstrate compliance with this Clause 12 and to allow for audits by the Data Controller and/or any party designated by the Data Controller.

12.6 The Data Processor shall not sub-contract any of its obligations to a sub-processor with respect to the processing of personal data under this Clause 12 without the prior written consent of the Data Controller (such consent not to be unreasonably withheld). In the event that the Data Processor appoints a sub-processor, the Data Processor shall:

12.6.1 Enter into a written agreement with the sub-processor, which shall impose upon the sub-processor the same obligations as are imposed upon the Data Processor by this Clause 12 and which shall permit both the Data Processor and the Data Controller to enforce those obligations; and

12.6.2 Ensure that the sub-processor complies fully with its obligations under that agreement and the Data Protection Legislation.

12.7 Either Party may, at any time, and on at least 30 calendar days' notice, alter this Clause 12, replacing it with any applicable data processing clauses or similar terms that form part of an applicable certification scheme. Such terms shall apply and replace this Clause 12 by attachment to this Agreement.

12.8 This clause shall survive termination of the Agreement.

## 13 FREEDOM OF INFORMATION AND ENVIRONMENTAL INFORMATION REGULATIONS

13.1 Each Party shall assist the other Party in complying with its obligations under FOI Legislation and/or the EIR and shall:

(a) notify the other in writing immediately after having received an FOI or EIR request that could concern both Parties;

- (b) agree with the other Party how the FOI or EIR request shall be responded to; and
- (c) assist in gathering the information reasonably requested and in forming a response to the FOI or EIR request.

13.2 This clause shall survive termination of the Agreement.

## 14 CONFIDENTIALITY

14.1 Subject to clause 14.2, the Parties to this Agreement shall keep confidential all matters relating to this Agreement and shall use all reasonable endeavours to prevent their representatives from making any disclosure to any person of any matters relating hereto.

14.2 Clause 14.1 shall not apply to any disclosure of information:

- (a) required by any applicable law to be disclosed;
- (b) that is reasonably required by persons engaged by a party in the performance of such party's obligations under this Agreement;
- (c) where a party can demonstrate that such information is already generally available and in the public domain otherwise than as a result of a breach of clause 14.1;
- (d) by any party of any document to which it is a party and which the Parties to this Agreement have agreed contains no commercially sensitive information;
- (e) to enable a determination to be made under clause 14.1;
- (f) which is already lawfully in the possession of the receiving party, prior to its disclosure by the disclosing party;
- (g) by any party to any legal or professional advisors or to DfE; and
- (h) by either Party to this Agreement in respect of which the other Party has given its prior written consent to disclosure.

14.3 This clause shall survive termination of the Agreement.

## 15 NOTICES

15.1 All notices and other communications in relation to this Agreement shall be in writing and shall be deemed to have been duly given if personally delivered, e-mailed, or mailed (first class postage prepaid) to the address of the relevant Party, set out below or otherwise notified in writing:

**CMAT**

Chief Executive Officer  
Swavesey Village College  
Gibraltar Lane  
Swavesey  
Cambridgeshire  
CB24 4RS

**CPET**

Chair of Trustees

Histon & Impington Junior School  
The Green  
Histon  
Cambridgeshire  
CB24 8JA

15.2 If personally delivered or if e-mailed all such communications shall be deemed to have been given when received (except that if received on a non-Working Day or after 5.00 pm on any Working Day they shall be deemed received on the next Working Day) and if mailed all such communications shall be deemed to have been given and received on the second Working Day following such mailing.

15.3 This clause shall survive termination of the Agreement.

## 16 ASSIGNMENT

16.1 This Agreement is personal to the Parties and neither Party shall be entitled to assign this Agreement nor all or any of its rights and obligations hereunder without the prior written consent of the other Party.

16.2 CMAT is entitled to enter into sub-contracts with third parties to provide the Services. In the event that CMAT enters into any sub-contract in connection with the Services it shall remain responsible to CPET for the performance of its obligations under this Agreement notwithstanding the appointment of any sub-contractor and shall be responsible for the acts omissions and neglect of its sub-contractors.

## 17 HEADINGS

Headings to clauses in this Agreement are for the purpose of information and identification only and shall not be construed as forming part of this Agreement.

## 18 VARIATION

No amendment to any of the provisions of this Agreement will be effective unless consented to in writing by each of the Parties to this Agreement.

## 19 NO WAIVER

The failure to enforce or to require the performance at any time of any one of the provisions of this Agreement will not be construed to be a waiver of such provision and will not affect either the validity of this Agreement or any part hereof or the right of any party thereafter to enforce each and every provision in accordance with the terms of this Agreement.

## 20 ENTIRE AGREEMENT

This Agreement contains the entire agreement of the Parties with respect to its subject matter and supersedes all prior agreements between the Parties, whether written or oral, with respect to the subject matter of it.

## 21 FORCE MAJEURE

Neither Party shall be liable for any failure to perform its obligations under this Agreement due to any event outside its reasonable control.

## 22 THIRD PARTY RIGHTS

This Agreement does not create any rights or benefits enforceable by any person not a party to it (within the meaning of the Contracts (Rights of Third Parties) Act 1999 other than expressly stated in this Agreement.

## 23 GOVERNING LAW

23.1 This Agreement is governed by, and will be construed in accordance with English law, and the Parties submit to the exclusive jurisdiction of the courts of England and Wales in relation to any legal actions or proceedings arising out of or in connection with this Agreement.

23.2 The Parties acknowledge that damages alone would not be an adequate remedy for any breach of this Agreement and any Party shall be entitled to the remedies of injunction, specific performance and other equitable relief for any threatened or actual breach of this Agreement by another Party and no proof of special damages shall be necessary for the enforcement of this Agreement.

**AS WITNESS** the hands of the duly authorised representatives of the Parties hereto on the date first before written.

SIGNED by Alan Hardy )  
for and on behalf of CMAT )  
 )  
\_\_\_\_\_

SIGNED by Robert Plumbly )  
for and on behalf of CPET )  
 )  
\_\_\_\_\_

### **SCHEDULE A**

#### **Services to be provided by CMAT**

**Director of Estates and Facilities – work provided includes**

- Management of site team
- Contracts management
- Contract centralisation
- Leases and licences to occupy
- On boarding and land transfers (this may result in additional fees as agreed in advance) of new CPET academies
- Due diligence (this may result in additional fees as agreed in advance)
- Cross trust procurement

#### **Director of IT – work provided includes**

- Management of IT support service
- Provision of hosted services
- Telephony provision
- Management Information System strategic management
- External IT third party contract management (Cambridgeshire County Council, printers, ICT service etc)
- Cross trust procurement
- Due diligence (this may result in additional fees discussed in advance)
- On boarding new schools (this may result in additional fees as agreed in advance)
- Strategic development plan

#### **Director of Finance supported by**

Deputy Director of Finance

Senior Finance Officer

- Train, support and manage the finance staff in each CPET school to enable them to provide a comprehensive day to day service to the students, parents and staff. To allow this to be fully implemented at the costing provided each school must have in place capable staff who have sufficient hours dedicated to the finance function to be able to perform the duties required. If this is not possible CMAT can provide support but this may result in additional fees to be agreed in advance.
- Train, support and line manage the finance staff in each CPET school to perform full accounting processes (including banking, the full purchase and sales processes including creditors & debtors, budget monitoring, payroll, cash management) on a daily and weekly basis leading to a completed month end close down and to be available to act upon financial information as communicated by CMAT in a timely manner.
- Management of month end close down, review and feedback to the finance staff in each CPET school.
- Collation of the management information and Key Performance Indicators and presentation on a monthly, termly and annual basis.
- 3 year budget build, at the direction of the school heads, annually for the submission to ESFA and ongoing review throughout the year with revised budgets generated and incorporated in the management reporting. Communication with school heads weekly, monthly, termly and annually to ensure management information is up to date and accurate and owned by school heads.

- Year end closedown and collation of annual trial balance with supporting documentation and management accounts for sign off by the Trustees of CPET.
- In cooperation with the finance staff in each CPET school, preparation of all information required for external auditors, liaison with external auditors, management of on-site visits, preparation of reports and review of statutory accounts for review by the Trustees of CPET.
- Support for the preparation of statutory returns such as the Annual Accounts Return to ESFA, FRS17, Annexe G and Teachers Pension Scheme returns.
- Attendance at Finance and Premises Committees for the presentation of CPET finances.
- Payroll & Pensions management including end of year certificates.

Additional work/projects CPET request CMAT's support on will be agreed and costed in advance of work commencing.

## APPENDIX C

### CPET Finance and Premises Committee Terms of Reference

The purpose of this document is to set out how the Trust, within its overall responsibility for financial resources, will allocate its responsibilities to the Finance and Premises Committee.

None of what is set out below can override the requirement on the Trust to observe the requirements of company law, charity law, the Funding Agreements and the Academies Financial Handbook.

#### 1. Membership

1.1 The Finance and Premises Committee shall consist of not less than five full members appointed by the trustees of which the majority will be trustees.

1.2 The proportion of members of the School Advisory Boards serving on the Finance and Premises Committee shall reflect a balanced representation of the academies within the Trust.

1.3 Membership will consist of at least three trustees (including the Executive Principal) and no more than one representative from each of the School Advisory Boards.

1.4 The Committee may invite other people to attend meetings as required, including members of the School Advisory Boards.

1.5 The Committee may appoint such co-opted non-voting members as agreed by the Trust. These members will serve in an advisory capacity and may include the Head teachers of each academy within the Trust and staff nominated by the Head teachers following consultation with the Committee.

1.6 Only full members of the Committee shall have the right to vote on any resolution placed before the Committee.

## 2. Quorum

2.1 The quorum for meetings of the Committee shall be four members which must include the Executive Principal and at least one other trustee.

2.2 The quorum must remain in place for each vote taken at the meeting, not just if the required number of the members were present at the start of the meeting.

## 3. Meetings

3.1 The Committee shall meet termly, or more frequently as may from time to time be required.

## 4. Chairmanship

4.1 The Chairman of the Committee shall be selected by the Trust and, if not one already, shall become a trustee of the Trust before he can act as Chairman.

## 5. Standing orders

5.1 The agenda for the meeting shall be distributed to all members at least seven days before the meeting.

5.2 All meetings will be minuted. Draft minutes will be posted to the Committee's secure section on the Cloud as soon as possible after the meeting and all members of the Committee will be informed of this.

5.3 Where there is an equality of votes for and against a particular resolution, the Chair will have the casting vote or may refer the matter back to the next meeting of the Trust.

5.4 Once minutes have been finalised they will be posted to the Committee's secure section on the Cloud and all members of the Committee will be informed of this.

5.5 If a member of the Committee is temporarily unable to access the Cloud, paper copies of all relevant documents will be provided on request.

## 6. Terms of reference

6.1 The Committee shall have the functions identified in the attached Responsibilities Document, and in particular shall:

- (a) Supervise the financial management of the Trust and the academies within the Trust.

- (b) Provide advice, guidance and assistance to the Head teachers of the academies within the Trust on financial matters.
- (c) Review the annual budget for approval by the Trust each summer term.
- (d) Monitor expenditure against budget.
- (e) Prepare reports for the Trust meetings.
- (f) Advise on any significant deviations from budget and recommend remedial actions to the Trust.
- (g) Prepare the Annual Report and Accounts for ratification by the Trust.
- (h) Ensure the Trust has strategic plans in place to deliver effective teaching and learning within the Trust budget and within the individual budgets of each of the academies within the Trust.
- (i) Discharge the Health and Safety obligations and requirements of the Trust.
- (j) Establish and regularly review Finance, Health and Safety and Premises policies and procedures.
- (k) Manage and maintain the Trust's premises as required and for the wellbeing of all academy pupils, staff and approved visitors.
- (l) Advise the Trust on all financial developments, which may affect the Trust's budget.
- (m) Delegate to the Head teachers all matters relating to the day to day management of academy budgets and expenditure.
- (n) Ensure that members of the Committee and trustees and School Advisory Board members on other committees with financial responsibilities are aware and understand their responsibilities.

## 7. Declaration of interests

7.1 Before discussing or voting on a subject, a member of the Committee must declare an interest.

7.2 If a financial interest is declared it must be recorded in the Register of Pecuniary Interests.

7.3 If an interest is declared the member must physically leave the meeting whilst that item is under discussion. The Committee does not have the discretion to allow the member to stay and listen to the discussion.

7.4 The requirement that the member must withdraw from meetings on grounds of financial interest does not prevent them from discussing insurance cover for them against liability arising from their work as trustee/School Advisory Board member.

7.5 Members of the Committee who also teach at the schools need not withdraw from meetings when their interest in matter being discussed is not greater than the interest of the generality of teachers in the schools.

## APPENDIX D

### Scheme of Delegation – Authorisation Limits

#### Expenditure Limits

Executive Principal	£100,000 *
Principal Finance Officer	£50,000
Head teacher	£25,000
Finance officer	£10,000

*\* above this sum requires Finance and Premises Committee approval*

#### Business Charge Card Limits

Histon & Impington Junior School (in Executive Principal's name)	£10,000
Histon & Impington Junior School (Head Teacher)	£5,000
Histon & Impington Infant School (Head Teacher)	£5,000
Hatton Park Primary School (Head Teacher)	£5,000
Trumpington Park Primary School (Head Teacher)	£5,000

## APPENDIX E

### Fraud Policy and Procedures

#### Introduction

CPET aims to be an honest and ethical institution. As such, it is opposed to fraud and seeks to eliminate fraud by the way it conducts business. This document sets out

CPET's policy and procedures for dealing with the risk of significant fraud or corruption. In order to minimise the risk and impact of fraud, CPET's objectives are, firstly, to create a culture which deters fraudulent activity, encourages its prevention and promotes its detection and reporting and, secondly, to identify and document its response to cases of fraud and corrupt practices.

In order to achieve these objectives, CPET has taken the following steps:

1. The development and publication of a formal statement of its expectations on standards of personal conduct, propriety and accountability
2. The establishment of adequate and effective systems of internal financial and management control (and a clear requirement to comply with them), and an independent audit function with an ongoing responsibility to review and report on these systems;
3. The development and publication of a formal statement of the procedures to be followed by employees who have a suspicion of, or concern about, possible or actual malpractice within CPET and a fraud response plan which sets out CPET's policies and procedures to be invoked following the reporting of possible fraud or the discovery of actual fraud.

These three steps are described in greater detail in the following sections

### Personal Conduct

CPET aims to promote an organisational culture which encourages the prevention of fraud by raising awareness of the need for high standards of personal conduct. To help ensure that all employees are fully aware of CPET's expectations regarding standards of personal conduct, appropriate guidance is provided by the following key statements:

- these regulations are binding on all trustees, governors, members of staff, pupils and constituent parts of CPET. Refusal to observe them will be grounds for disciplinary action
- in disbursing and accounting for all funds, CPET must demonstrate that it is adopting high standards of financial probity. Implicit within this regime is the requirement that trustees, governors and employees of CPET must at all times conduct financial affairs in an ethical manner
- all trustees, governors and employees of CPET and its academies are responsible for disclosing any personal, financial or beneficial interest in any transaction with respect to CPET
- any person who is responsible for placing an order with a supplier (whether a contractor or not) with whom he has a personal interest must disclose this to the Executive Principal, relevant Head teacher or the Principal Finance Officer

- Trustees, governors or employees of CPET and its academies shall never use their office or employment for personal gain and must at all times act in good faith with regard to CPET's interests
- Heads of department/budget holders are expected to adhere to the Financial Regulations at all times and to use their best efforts to prevent misuse or misappropriation of funds and other CPET property

### Systems of Internal Control

The next line of defence against fraud is the establishment of operational systems which incorporate adequate and effective internal controls designed to minimise the incidence of fraud, limit its impact and ensure its prompt detection. These controls include high level management controls such as budgetary control (designed to identify fraud which results in shortfalls in income or overspendings against expenditure) and organisational controls such as separation of duties, internal check and staff supervision. Personnel policies are also a key part of setting the culture and deterring fraud. This includes seeking to reduce the risk of employing dishonest staff by checking information supplied by employees and references obtained during the course of the recruitment process, including DBS checks.

The general framework of responsibilities for financial management and the policies relating to the broad control and management of CPET are documented in this Handbook. The financial procedures are updated periodically by the Principal Finance Officer. They are binding on all trustees, governors, members of staff, and constituent parts of CPET and are distributed to the Executive Principal, the Senior Leadership Team, Heads of Department, trustees, governors and staff in the finance offices.

### Fraud Response

This document sets out CPET's policies and procedures for ensuring that all allegations and reports of fraud or dishonesty are properly followed-up, are considered in a consistent and fair manner and that prompt and effective action is taken to:

- minimise the risk of any subsequent losses
- reduce any adverse operational effects
- improve the likelihood and scale of recoveries
- demonstrate that CPET retains control of its affairs in a crisis; and
- makes a clear statement to employees and others that it is not a soft target for attempted fraud

The plan includes both statements of general policy and specific steps to be taken when circumstances dictate and is necessary in order to reduce the following risks:

- inadequate communication so that action is late or inappropriate
- lack of leadership and control so that investigators are not properly directed and waste time and effort
- failure to react fast enough so that further losses are incurred or the evidence required for successful recovery or prosecution is lost
- adverse publicity which could affect confidence in CPET; and
- creation of an environment which, because it is perceived as being ill-prepared, increases the risk of fraud

The main elements of CPET's policy are in line with the Whistleblowing Policy and are outlined below:

1. All trustees, governors, members of staff, and constituent parts of CPET are required to immediately notify the relevant Head teacher and/or the Principal Finance Officer of any financial irregularity, or any circumstance suggesting the possibility of irregularity, affecting the financial procedures, cash, stores or other property of CPET. The Head teacher and/or Principal Finance Officer should bring this to the attention of the Executive Principal immediately
2. The Head teacher/Principal Finance Officer will ascertain whether or not the suspicions aroused have substance. They will, if appropriate, conduct a preliminary investigation to gather factual information and reach an initial view as to whether further action is required. The findings, conclusions and any recommendations arising from the preliminary investigation will be reported to the Chair of the Finance and Premises Committee and the Chair of Trustees
3. The Head teacher will have the initial responsibility for coordinating the relevant academy's response. In doing this they will consult with CPET's advisors regarding potential employment issues. The Head teacher will also seek expert legal advice from CPET's Legal Advisor on both employment and litigation issues before taking any further action
4. The Head teacher is required to notify the Executive Principal and Board of Trustees of any serious financial irregularity. This action will be taken at the first opportunity following the completion of the initial investigations and will involve, inter alia, keeping the Executive Principal, the Chair of the Finance and Premises Committee and the Chair of the relevant School Advisory Board fully informed between committee meetings of any developments relating to serious control weaknesses, fraud or major accounting breakdowns

If evidence of a fraud is forthcoming then CPET will inform the DfE as required by the Funding Agreement and will consider whether or not to refer the matter to the police,

## APPENDIX F

### Travel and Subsistence Policy

#### Introduction

If an employee is not sure whether they will be able to make a claim in a particular situation, they should ask before they incur any expenses, as this may not be reimbursed. Clarity should be sought before a claim is submitted.

It is very important that claims are not made outside the terms of this policy and guidance unless permission has been given specifically to deal with a particular situation.

#### Accommodation

All overnight stays must be approved in advance by the Head teacher or finance officer of the relevant academy.

In some situations, particularly certain training courses, accommodation is provided as part of the package, in which case employees do not need to make any claim. In other cases, the employee will be reimbursed the actual cost of bed and breakfast incurred subject to the limits set out below and production of a VAT receipt – it may be advantageous to arrange for the booking to be made by the finance office using the business charge card.

#### Out-of-pocket Expenses

Employees attending residential training courses are entitled to claim an allowance to cover incidental out-of-pocket expenses (e.g. breakfast and evening meals – subject to the conditions set out in this policy). The amount is published with other allowance figures at the end of this section and will be reviewed annually.

Exceptionally, if employees need to travel abroad, attending conferences etc., a separate allowance in respect of out-of-pocket expenses may be claimed but this must be approved by the Executive Principal.

#### Travel

##### General Principles

Employees should only make business journeys when they are absolutely necessary. Other options should always be considered before travel is undertaken which are more efficient and cost effective, for example email, telephone, video or telephone conferencing.

Where a business journey is necessary, employees are expected to organise it in the shortest and most effective way.

Where more than one person is travelling to the same meeting, arrangements should be made to share transport if appropriate and convenient.

Employees whose post requires them to undertake business travel are responsible for their own travel arrangements and these must be carried out in the most effective and efficient way to perform the job. CPET will support necessary business travel, including reimbursement of costs arising from the use of employees' own vehicles.

Environmentally friendly travel is encouraged. Mileage payments will be made within HMRC guidelines and in accordance with the rates set out in Appendix 1.

### Mileage Payments

Employees who use their own car, van, motorcycle or cycle for official CPET work purposes are entitled to be reimbursed in accordance with CPET approved mileage rates.

Where a number of employees undertake the same or a similar journey, they should travel together if practically possible.

The basic criteria for claiming official mileage is that this should be the total mileage completed less the normal mileage from the employee's home to their normal workplace and back again. Normal everyday home to work mileage is the employee's responsibility.

Where it is more beneficial for employees to travel direct from home to an outside appointment or vice versa, rather than call in to the workplace first, they are only entitled to claim the number of miles over and above their normal home to work mileage. On this basis, all travel claims in any one day should always exclude the employee's normal home to office miles regardless of the reason e.g. training course.

For CPET staff who travel regularly between sites they will be allocated a notional base for mileage calculation purposes based on where they were originally appointed to or the place at which they will spend the majority of their time, and this will be the place of work for calculation of any mileage claim.

All claims must have a current VAT fuel receipt, attached to the claim form. The receipt must be for a minimum of 25% of the total mileage claimed. It is therefore essential that all staff who use their car for meetings or courses etc. ask the filling station for a VAT receipt when they purchase fuel and attach this to their claim form (please ensure it is a VAT receipt rather than a normal receipt or credit card slip).

### Travel between workplaces

Travel by an employee between two workplaces that he or she must attend to carry out duties of the same employment is business travel.

Travel between the workplaces of two different employments is not business travel. There is one exception to this rule. Where a person is an employee of more than one academy trust in the same group of companies, travel between the workplaces of each employment is business travel.

### Travel to/from workplaces

Travel between an employee's home and a permanent workplace is not business travel. This rule applies not only to daily commuting journeys but also to emergency call-outs and other travel outside normal hours. The rule also applies to travel between any other place that is not a workplace and a permanent workplace. The only circumstance in which normal home to office mileage is payable is where a second journey from home to a place of work is made on the same day in order to carry out official duties. Where an employee agrees to work on a day they would not normally work, it is still their responsibility to get to and from work (including training courses). Therefore, no home to office mileage is payable.

If, for any reason, an exception to this arrangement is granted then it will be classed as taxable mileage.

Travel between an employee's home and any other workplace where attendance at the temporary workplace is necessary to carry out the duties of the employment is business travel. Otherwise the journeys are not business travel.

### Other conditions

Where an employee is required to travel from their normal workplace to carry out their day to day role, travelling time is included within their normal working day. However, employees who are expected to travel to training courses can claim no more hours than their normal working day including travelling time. Where there are excessive demands placed on an employee, for example very long distances travelled which extend significantly over the working day and where such occurrences happen repeatedly over a short period of time, then management will have discretion, as a gesture of goodwill, to allow some time in lieu as recompense.

### Rail travel

If an employee requires a rail ticket for business purposes they must contact the relevant finance office who can organise this for them.

Employees are expected to travel standard class at all times, and take advantage of off peak or other reduced rates if the circumstances allow. First class travel may only be used if:

- standard class accommodation is full; or
- the additional cost of travelling by first class is no more than the standard class fare

### Parking expenses

Bus fares and car parking charges incurred on academy business may be reclaimed in full against the relevant receipt which should be attached to the claim form.

CPET will not reimburse parking and similar fines.

### Authorisation

The formal responsibility for authorising business journeys rests with the line manager to confirm that the costs are a valid charge against budget. Claims will be checked within each academy by staff responsible for payroll and signed off each month by the relevant finance officer. Employees are advised to seek approval in advance for any unusual journeys where there is likely to be any doubt about the legitimacy of the journey or of the amount of mileage that can be claimed.

### Methods of claiming

Employees should complete the Travel, Subsistence and Expenses Claim, attaching the relevant VAT receipts. Claims should be made monthly and submitted immediately to the employee's line manager who should sign to verify the claim is bona fide and that it can be passed on to the relevant finance officer for processing in the next month's payroll. All claims will be verified for correctness.

Claims must be made on a monthly basis; if an employee delays and then submits forms covering a substantial period they must expect a delay in processing and payment. Claims for travel or expenses which are more than 12 months old will not be accepted for payment.

The simple rule is NO RECEIPT, NO PAYMENT. The only exception to this is where it is simply not possible to obtain a receipt for the item in question. In this case the expenditure can be reimbursed at the discretion of the Principal Finance Officer.

Employees should note the terms of the declaration on the claim form. No one should make or approve a claim if the conditions explained in this policy have not been met. CPET will take a very serious view of fraudulent or negligent claiming or certification.

## Motor insurance

Employees who use their own vehicle for work should ensure they have the appropriate insurance to cover business travel. This is normally referred to as 'Business, Social and Domestic' cover by insurance companies. It is the employee's responsibility that they are adequately insured.

## Appendix 1

### Reimbursement rates

#### Mileage reimbursement:

All travel up to 10,000 miles per mile 35p reducing to 25p for mileage in excess of 10,000 miles

#### Overnight stay in hotels:

London - up to £70.00 per night

Outside London - up to £50.00 per night

#### Breakfast:

Up to £5.00 (if leaving home before 7.00am and not included as part of an overnight stay)

#### Lunch:

Up to £8.00

#### Evening meal:

Up to £10.00 (if return or working beyond 8.00pm)

## APPENDIX G

### Best Value Statement

#### Introduction

CPET is accountable for the way in which each academy's resources are allocated to meet the objectives set out in the academy development plans. Trustees need to secure the best possible outcome for pupils, in the most efficient and effective way, at a reasonable cost. This will lead to continuous improvement in each academy's achievements and services.

#### What is Best Value?

Trustees will apply the four principles of best value:

- Challenge: Why, how and by whom a service is provided
- Compare: Academy performance against available data.
- Consult: With service users, the local community etc.
- Competition: Wherever practicable, to secure efficient and effective services

### The Trustees' Approach

The trustees will apply the principles of best value when making decisions about:

- the allocation of resources to best promote the aims and values of the academies
- the targeting of resources to best improve standards and the quality of provision
- the use of resources to best support the various educational needs of all pupils

The trustees will:

- make comparisons between CPET academies and other similar academies using available data, e.g. RAISE online, quality of teaching and learning, levels of expenditure
- challenge proposals, examining them for effectiveness, efficiency, and cost
- require suppliers to compete on grounds of cost and quality/suitability of services/products
- consult individuals and organisations on quality/suitability of services provided to parents and pupils, and services received from providers

This will apply in particular to:

- staffing – trustees and governors will deploy staff to provide best value in terms of quality of teaching, quality of learning, adult-pupil ratio, and curriculum management
- use of premises – trustees and governors will consider the allocation and use of teaching areas, support areas and communal areas, to provide the best environment for teaching and learning, for support services, and for communal access to central resources
- use of resources – trustees and governors will deploy equipment, materials and services to provide pupils and staff with resources which support quality teaching and quality learning
- quality of teaching – trustees and governors will review the quality of curriculum provision and quality of teaching, to provide parents and pupils with a curriculum which meets the requirements of the national curriculum, national literacy strategy and national numeracy strategy, and the needs of the

pupils and teaching which builds on previous learning and has expectations of children's achievement

- quality of learning – trustees and governors will review the quality of children's learning by setting of pupil achievement targets
- purchasing – trustees and governors will develop procedures for assessing need, and obtaining goods and services which provide best value in terms of suitability, efficiency, time and cost
- pupil's welfare – trustees and governors will review the quality of the academy environment and the academy ethos, in order to provide a supportive environment conducive to learning and recreation
- health and safety – trustees and governors will review the quality of the academy environment and equipment, carrying out risk assessments where appropriate, in order to provide a safe working environment for pupils, staff and visitors

These areas will be monitored for best value by:

1. Departmental reviews by the Head teachers & senior leadership teams
2. Termly target setting meetings between Head teachers, senior leadership teams and heads of departments
3. Annual performance management
4. Annual budget planning
5. Head teachers' reports including financial review
6. Feedback from auditors and audit reports
7. Analysis of academy pupil performance data
8. Analysis of LA/DfE financial data
9. Analysis of DfE pupil performance data
10. Key issues for action identified by Ofsted
11. Trustee/governor termly committee meetings
12. Trustee annual staff salary review

The pursuit of minor improvements or savings is not cost effective if the administration involves substantial time or costs. Time wasted on minor improvements or savings can also distract management from more important or valuable issues.

## APPENDIX H

### Procurement Policy and Procedures

#### 1 Purpose of the policy

- (1) To achieve a consistent approach to buying goods and services on behalf of CPET and academies operated by it;

- (2) To achieve value for money, which will not necessarily be the lowest prices obtainable;
- (3) To demonstrate in a transparent way an appropriate and effective use of public money.

## 2 Background

Because CPET is largely funded by government money, it is a Contracting Authority within the meaning of the Public Contracts Regulations 2006 (“the Regulations”). Accordingly, CPET must comply with the Regulations when procuring contracts for the supply of goods or services.

CPET is obliged by the terms of its funding agreements with the Department for Education (“DfE”) to comply with the Academies Financial Handbook (“the Handbook”). The Handbook requires academies to ensure that a competitive tendering policy is in place and applied.

This document sets out the policy and procedures laid down by the Board of Trustees in relation to the procurement by CPET and/or its academies of goods and services. Unless specifically authorised by the Board of Trustees no one may, on behalf of CPET or any of its academies, enter into any contract for the supply of goods and services to CPET and/or any of academies which is not compliant with the policies and procedures set out in this document.

## 3 The Regulations

### Overall purpose

The Regulations are designed to ensure that when procuring goods and services and construction work, contracting authorities procure the goods, services and works on a transparent basis which enables economic operators, namely contractors and suppliers of goods and services, from all member states of the European Union the opportunity to bid. In certain cases the invitations to tender must be published in the OJEU, which is why the process is sometimes known as “OJEU”. The procedures required to comply with a procurement in excess of the thresholds laid down by the Regulations are complex and it is therefore critical that CPET should seek professional advice, either from CPET’s lawyers or procurement consultants, before taking any steps to procure a contract to which the Regulations apply. In the event of any doubt the Executive Principal should be consulted.

### Services

The requirements of the Regulations will depend in relation to the procurement of services on whether the services are part A or part B services. The services which fall into these categories are described in Schedule 3 to the Regulations.

The following services are included within part A services:-

Maintenance and repair of vehicles and equipment

Transport by land and by air

Computer and related services

Accounting, auditing and bookkeeping services

Management consultancy services and related services

Architectural services, engineering services and integrated engineering services.

Part B services include the following:

Legal services

Education and vocational health services

Recreational, cultural and sporting services

Other services

Different regimes apply under the Regulations to the procurement of part A and part B services and it is important to establish, in circumstances where the relevant thresholds are likely to be exceeded, whether the services to be procured are part A or part B services.

#### 4 DfE Guidance

Even where the thresholds provided by the Regulations are not likely to be exceeded, the DfE recommends that competitive tendering should be normally used as the basis of the procurement of all goods and services. Nonetheless, the Board of Trustees has agreed that it would be impractical and counterproductive to follow such a policy where:-

- (1) CPET has established relationships with suppliers (“Partners”) which ensure a close working relationship with CPET which is in the long term interest of CPET and its beneficiaries; and
- (2) the value of goods and services to be procured is low and falls below a certain threshold.

In each case CPET should ensure that the prices charged are nonetheless value for money. That may require CPET periodically to seek external quotes to keep Partners “honest”.

#### 5 Tendering Process

Tendering is the formal process of selecting the best bidder from the whole market place of potential providers or services, by advertising your requirements, seeking offers (known as bids or tenders) to deliver those requirements, and evaluating these fairly and impartially, using scoring criteria that are agreed in advance and applied equally to all potential bidders.

The usual steps involved in running a tender are:-

- Draw up the specification – the detailed description of exactly what it is you are spending this money to get: all the things you want your successful bidder to provide or do.

- Prepare a draft contract, setting out the standard terms and conditions you want your successful bidder to agree to.
- Decide your validation criteria – in a “perfect” bid, which factors would be important to you. These are the ones to which you will allocate the highest possible scores when assessing the bids you receive from potential suppliers.
- You will need the above documents to be put together in an invitation to tender (known often as an ITT) that you will send to interested suppliers and which they will respond to when they bid to deliver the goods or services you require.
- Advertise your procurement – let potential suppliers know that you have possible business for them, and what you want them to offer. Where the Regulations apply in respect of goods or part A services or works, the advertisement should be included in OJEU. If the procurement is for goods or services below the Regulations threshold or for part B services, unless the contract is likely to be of interest to bidders from other member states of the EU, advertisement within the UK is sufficient. There are websites which specifically list such procurements.
- Send out your invitation to tender (ITT) to interested suppliers.
- Evaluate bids, comparing and scoring each bid on a like for like impartial basis.
- Award the contract – notify the successful bidder (and the unsuccessful ones, with reasoning).
- Leave a short period for responses (where the Regulations apply this should be at least 10 days). Then agree the final contract terms and sign the contract.
- Where the Regulations apply to the bid it is necessary to notify OJEU of the outcome.

## 6 Thresholds

<u>Threshold</u>	<u>Action Required</u>	<u>Approval Required</u>
<u>Works:</u>		
over £4,000,000	To be tendered in accordance with the Regulations	The Board of Trustees
Between £4,000,000 and £20,000 (inclusive)	To be tendered in accordance with the procedures outlined in paragraph 5 above.	Executive Principal

under £20,000	To be contracted without tendering but to be sure that value for money is being obtained it may be appropriate to obtain more than one quote.	Executive Principal, Principal Finance Officer, Finance Officer or Head teacher of Academy
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Services:

Part A services over £170,000	To be tendered in accordance with the Regulations	The Board of Trustees
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Part A services under £170,000 and over £20,000 (inclusive)	To be tendered in accordance with the arrangements described in paragraph 5 above	Executive Principal
-------------------------------------------------------------	-----------------------------------------------------------------------------------	---------------------

Part A services under £20,000	To be contracted without tendering but to be sure that value for money is being obtained, it may be appropriate to obtain more than one quote	Executive Principal, Principal Finance Officer, Finance Officer or Head teacher of Academy
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Part B services over £170,000	So long as the board is satisfied that no supplier from a member state other than the United Kingdom would wish to tender the procedures outlined in paragraph 5 above should be applied.	The Board of Trustees
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Part B services under £170,000 and over £20,000	The procedures outlined in paragraph 5 above should be applied.	Executive Principal
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Part B services under £20,000	To be contracted without tendering but to be sure that value for money is being obtained, it may be appropriate to obtain more than one quote	Executive Principal or Head teacher of Academy
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Where services are to be provided for more than one year the aggregate costs of the services over a four year period should be calculated to establish whether the relevant thresholds have been exceeded. Contracts should not be broken down into small parts in order to bring them below any particular

threshold. If the contract has several parts those parts should be aggregated. Similarly where CPET enters into several contracts with the same supplier in any period the value of those contracts should be aggregated.

## 7 Do EU Principles Apply?

Despite the fact that contracts are not subject to the Regulations or relate to Part B services, there is case law to say that, where the contract is of 'certain interest' to suppliers located in other EU Member States, contracting authorities must still procure them in line with the general Treaty of the Functioning of the European Union (TFEU) principles of non-discrimination, equal treatment, transparency, proportionality and mutual recognition.

What these principles imply in practice is that the contract has to be "adequately" advertised and some form of fair competition run thereafter. The scope and nature of the advertisement will depend on the nature of the contract in question and who is or is likely to be interested in it.

The first step is to decide whether a particular contract is of interest to providers in other Member States. In order to determine this, the contracting authority should consider the following:

1. the **subject-matter** of the contract;
2. its estimated **value**;
3. the particular **market** involved; and
4. the **geographical location** where the contract is to be carried out.

If, having carried out this assessment, the contracting authority determines that the contract is likely to be of interest to parties in other Member States, it should publish a "sufficiently accessible advertisement" prior to awarding the contract. Basically, the greater the potential cross-border interest, the wider the advertisement must be.

It is for CPET to decide on the most 'appropriate' means of advertising. The following methods should be considered:

1. Advertisement on CPET's website;
2. Advertisement on a portal website which has been specifically created for contract advertisements
3. Publication in national newspapers or journals

4. Publication of a voluntary notice in the OJEU (the Commission suggests this as an option for larger contracts). **NOTE:** This is not mandatory, but it is free and provided the wording of the notice is sufficiently clear, it should not lead to any extra formalities to comply with during the remainder of the procurement. It is a 'safe option'.
5. Local advertising this is really only suitable for very small contracts for which there is only a local market.

## 8 Procedures

Regardless of whether particular thresholds are likely to be exceeded the following procedures should normally be applied when entering into contracts on behalf of CPET and/or its academies.

- (1) For the purchases of any value, you must first confirm that there is adequate budgetary provision before commencing a procurement process or raising any purchase order. For purchases that go beyond the current year you must also confirm that the costs are allowed for in the financial forward plan.
- (2) Determine the requirement to seek competitive quotes or tenders by reference to the thresholds referred to above.
- (3) Having obtained quotes or tenders, write a short report summarising the bids received, your recommended supplier and the reasons for your decision – particularly where you are not recommending the lowest price bid (because of concerns about indirect costs, quality of goods, performance of supplier etc.)
- (4) Complete a purchase requisition note and obtain the necessary approvals as per the table set out in paragraph 6 above.
- (5) Forward the signed purchase requisition note to the relevant finance office so that the purchase order can be raised and a commitment placed in the accounting system.
- (6) The relevant finance office will return the completed purchase order to the requisitioner to review and send.

## 9 Conflicts of interest

There are only extremely limited circumstances in which a trustee of CPET or a member of any School Advisory Board of a CPET academy, or any relative or person closely connected with him or her, may benefit from any contractual arrangement made with CPET and/or a CPET academy. In any circumstances in which such an arrangement is contemplated reference should be made immediately to the Executive Principal who will, in appropriate circumstances, refer the matter to the Board of Trustees for approval.

## 10 Guidance

The procurement process is necessarily complex, but as stated above, it is vitally important that CPET not only obtains good value for services and goods supplied to it but also has a procedure in place which transparently describes

the process by which such procurement is made. If in any doubt at all about the processes to be followed reference should be made to the Executive Principal.

## APPENDIX I

### Tendering Policy

All goods/services ordered with a value over £30,000 must be subject to full formal tendering procedures. Purchases over specified thresholds for goods and services and the procurement of works will require advertising in the OJEU. Guidance on the OJEU thresholds is given in the Academies Financial Handbook.

Ordering goods which may potentially be over £10,000 must be discussed with the Principal Finance Officer prior to any communication with suppliers. This is to ensure correct procedures are followed from the outset.

#### Forms of Tenders

There are three forms of tender procedure: open, restricted and negotiated. The circumstances in which each procedure should be used are described below:

- Open Tender: This is where all potential suppliers are invited to tender. The budget holder must discuss and agree with the Executive Principal how best to advertise for suppliers, e.g. general press, trade journals or to identify all potential suppliers and contact directly if practical. This is the preferred method of tendering, as it is most conducive to competition and the propriety of public funds
- Restricted Tender: This is where suppliers are specifically invited to tender. Restricted tenders are appropriate where:
  - there is a need to maintain a balance between the contract value and administrative costs
  - a large number of suppliers would come forward or because of the nature of the goods are such that only specific suppliers can be expected to supply the CPET's requirements
  - the costs of publicity and advertising are likely to outweigh the potential benefits of open tendering
- Negotiated Tender: The terms of the contract may be negotiated with one or more chosen suppliers. This is appropriate in specific circumstances where:
  - the above methods have resulted in either no or unacceptable tenders
  - only one or very few suppliers are available
  - extreme urgency exists
  - additional deliveries by the existing supplier are justified

#### Preparation for Tender

Full consideration should be given to:

- objective of project
- overall requirements
- technical skills required
- after sales service requirements
- form of contract

It may be useful after all requirements have been established to rank requirements (e.g. mandatory, desirable and additional) and award marks to suppliers on fulfillment of these requirements to help reach an overall decision.

If a restricted tender is to be used then an invitation to tender must be issued. If an open tender is to be used an invitation to tender may be issued in response to an initial enquiry.

An invitation to tender should include the following:

- introduction/background to the project
- scope and objectives of the project
- technical requirements
- implementation of the project
- terms and conditions of tender
- form of response.

### Aspects to Consider

#### Financial

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

#### Technical/Suitability

- qualifications of the contractor
- relevant experience of the contractor
- descriptions of technical and service facilities
- certificates of quality/conformity with standards
- quality control procedures
- details of previous sales and references from past customers

#### Other Considerations

- pre sales demonstrations
- after sales service
- financial status of supplier. Suppliers in financial difficulty may have problems completing contracts and in the provision of after sales service. It may be

appropriate to have an accountant or similarly qualified person examine audited accounts etc.

### Tender Acceptance Procedures

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

### Tendering Opening Procedures

All tenders submitted should be opened at the same time and the tender details should be recorded. Two persons should be present for the opening of tenders as follows:

- for contracts below the OJEU threshold: two of the budget holder, the Principal Finance Officer or finance officer of the relevant academy.
- for contracts for goods and services over the current OJEU threshold: either the Principal Finance Officer or, the Executive Principal plus another member of the Finance and Premises Committee.

A separate record should be established to record the names of the firms submitting tenders and the amount tendered. This record must be signed by both people present at the tender opening.

### Tendering Procedures

The evaluation process should involve at least two people (technical and financial aspects). Those involved should disclose all interests, business and otherwise, that might impact upon their objectivity. If there is a potential conflict of interest then that person must withdraw from the tendering process.

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

Full records should be kept of all criteria used for evaluation. For decision and sign off levels please refer to the Appendices D and H. For contracts over £100,000 a report should be prepared for the Finance and Premises Committee, highlighting the relevant issues and the decision.

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

The accepted tender should normally be the one that is economically most advantageous to CPET. However other criteria may be used as long as they are advertised in the tender documentation. All parties should then be informed of the decision.

## APPENDIX J

### Reserves Policy

#### 1. Rationale

Academies are expected to create reserves from their GAG funding. The ESFA provides some Devolved Capital Funding to academies. The ESFA provides no other annual capital funding.

#### 2. Aim

The trustees of CPET require a revenue reserve to be created to fund future one-off projects and to be able to take advantage of future opportunities. Equally CPET must be able to absorb setbacks and protect itself against any unforeseeable expenses.

#### 3. The Reserves Policy

Trustees have the responsibility to manage the assets of CPET. Setting a reserves policy is a central part of managing CPET's finances and safeguarding the assets. Trustees must consider both the needs of today's pupils as well as the future of CPET when setting a reserves policy. Holding back excessive funds for a rainy day may damage the education of the current pupils. Conversely, fully spending all of the current funds leaving no money for investment in the future of CPET can damage the education of tomorrow's pupils.

Reserves will be held by each academy.

The policy should be reviewed annually, by the Finance and Premises Committee, by an analysis of the budgetary process, the strategic and operational plans. The risk management process will include the following:

- Forecasts for levels of income in future years, taking into account the reliability of each source of income and the prospects for opening up new sources.
- Forecasts for expenditure in future years on the basis of planned activity.
- Analysis of any future development needs and opportunities that could not be met out of annual income.

There is no absolute level of free reserves that each academy should hold but, generally, as this is allocated for unforeseen liabilities, it should normally be restricted between 2% and 4% of GAG funding (this value will inevitably change each year).

The ESFA provides regular remittances to academies and a large proportion of income and expenditure is predictable. This reduces, but does not eliminate the need to hold reserves for working capital, cash flow and uncertainties.

The amount allocated to designated reserves will be project dependent but will include the following:

- Property maintenance not covered by annual funding (e.g. assessed need condition work)
- Planned/committed property development
- Planned replacement of high value fixed assets e.g. photocopiers
- Development of ICT infrastructure e.g. servers

#### 4. Capital Reserves

It is considered financially impractical and unnecessary to create and maintain a capital reserve from existing levels of devolved formula capital.

#### 5. Revenue Reserves

Due to the current level of funding for Cambridgeshire academies, progress to the required levels of reserves may need to be delayed in the medium-term and increases to the level of reserves held by CPET may therefore not be significant.

The policy of CPET is to carry forward a prudent level of reserves designed to meet the long-term cyclical needs of renewal and any other unforeseen contingencies, subject to the constraint that the level of resources does not exceed the level permitted by the ESFA.

#### 6. Maintaining and monitoring reserves

The trustees monitoring of reserves should not just be a year-end procedure. The level of reserves should be monitored throughout the year as part of the normal monitoring and budgetary reporting processes.

In particular the trustees should:

- Approve when reserves are drawn on so that they understand the reasons and can consider the corrective action if any, that needs to be taken.
- Regard the on-going review of the reserves level, target and policy as part of the financial management of CPET.
- Ensure that the reserves policy continues to be relevant as CPET develops or changes its strategy and activities.

- Review the statement on reserves in the annual report where there have been significant changes in the reserves policy or level of reserves held.

## 7. Reserves – Disclosure

CPET’s annual report should state the level of reserves on the last day of the financial year and the future needs, opportunities, contingencies and risks relevant to the level of reserves.

The charities SORP requires trustees to include in their annual report:

- A statement of their policy on reserves
- The level of reserves held and an explanation of why they are held
- Where material funds have been designated, the amount and the purpose of the designation should be explained.
- Where designated funds are set aside for future expenditure, the likely timing of that expenditure.

## APPENDIX K

### Fixed Asset Policy

#### Introduction

The purpose of this policy is:

- to provide guidance when dealing with capital expenditure and the purchase and disposal of fixed assets (as defined below); and
- to provide guidance on other aspects of fixed asset accounting such as depreciation and revaluation

#### Definitions

##### Accumulated depreciation

The total accumulated amount charged to the income and expenditure account to reflect the use of the asset by the business, over its useful economic life. The value of the fixed asset on the balance sheet will be reduced over the useful life of the asset.

##### Capitalisation

The addition to the balance sheet of an amount in respect of an asset which has come into the possession of CPET, whether through purchase or donation or gift in kind.

### Carrying amount/net book value

The purchase cost (or valuation) of a fixed asset less the accumulated depreciation on that fixed asset.

### Depreciation

The charge made to the income and expenditure account each year to reflect the use of the asset by the business during the period.

### Fixed assets

A fixed asset is an asset that has a useful life greater than one year. This includes land, buildings, office furniture and equipment (e.g. air conditioning, heating systems), vehicles, IT equipment and other classroom equipment. These are included in CPET's balance sheet. Consumables which are used on a daily basis are not fixed assets.

### Fixed asset register

An inventory of all fixed assets which must include purchase dates, the depreciation rate, net book values and the depreciation.

### Grant

Funds given to CPET by a third party, subject to complying with any terms and conditions attached to the grant, to purchase unspecified fixed assets.

### Recoverable amount

The cash proceeds when an asset is disposed.

## Categories of Fixed Assets

This list describes the categories of fixed assets most commonly used by academies. It is not exhaustive and other categories may be added but only with the approval of the Principal Finance Officer.

### Freehold and long leasehold buildings

This category covers the cost of acquiring freehold and long leasehold land and buildings. It includes all external costs incurred as part of the acquisition such as legal and professional fees as well as other costs such as building costs which are necessary in order to bring the asset into use.

CPET must seek and obtain prior written approval from the Secretary of State, via the ESFA, when acquiring a freehold on land or buildings.

### Fixtures and fittings

This category includes Items such as fixed or free standing equipment which will last a number of years and are valued at or above the capitalisation threshold.

### Plant and equipment

This category includes items such as air conditioning, lifts, heating system, diesel generators and classroom equipment which will be used for several years.

### Computer equipment and software

This category covers the cost of the computer hardware used throughout the academies along with 'significant' software. ('Significant' properties are those attributes of a digital object which need to be recorded and preserved over time for the digital object to remain accessible and meaningful).

## Criteria for Capitalisation of Assets

### Expenditure eligible for capitalisation

Authorised and approved expenditure for an item which meets the definition of a fixed asset, and exceeds £5,000, should be identified and flagged as a fixed asset. The asset should be recognised on CPET's balance sheet.

The cost of the fixed asset should include the cost of the asset and any other costs directly attributable in bringing the asset into a condition where CPET employees can use it. Such costs include, but should not be limited to:

- costs of enhancements (not repairs and renewals), which significantly extend the life of the asset and would not be carried out on a regular basis (e.g. building improvements)
- costs of external consultants whose work is directly attributable to the implementation of the asset

### Expenditure not eligible for capitalisation

- individual items costing less than £5,000 unless purchased in bulk as part of a capital project
- costs of staff training as part of normal business activities
- administration and general overheads for running day to day activities
- planning costs relating to initial activities such as option appraisals, feasibility studies, identifying appropriate hardware and applications and selecting suppliers and consultants
- cost of abortive work

- post implementation support and maintenance costs related to software installation

### Accounting Treatment (valuation in balance sheet)

Only costs eligible for capitalisation should be entered into the balance sheet.

Costs must be allocated against individual fixed assets.

The cost of the asset includes the purchase price (including import duties and non-refundable taxes) and any other direct attributable costs of bringing the asset to working condition. Discounts received should be deducted from the total cost.

Expenditure on enhancing a fixed asset already recognised on the balance sheet should be added to the carrying amount where the expenditure meets the definition above.

Fixed assets purchased with grant money must be clearly identified in the fixed asset register.

### Revaluation of Fixed Assets

Freehold and long leasehold land and buildings will be revalued by independent valuers every five years.

Gains on revaluation of fixed assets must be credited to the relevant reserve as follows:

- land and building revaluations should be transferred to a designated revaluation reserve
- losses on revaluation must be debited to the relevant reserve (revaluation, fixed assets revaluation reserve) to the extent that gains have previously been recognised and recorded

### Depreciation

Depreciation is charged against fixed assets over the expected useful life of the asset to reflect the usage of the asset over time.

CPET uses the straight line method of depreciation where the asset cost is written down in equal annual amounts over its expected useful life.

The period over which the asset is depreciated varies according to the category of the asset.

All tangible fixed assets, other than assets in progress must be depreciated as follows:

- Freehold land: 2%
- Leasehold buildings: 2%
- Plant & Machinery: 10%
- Furniture and equipment: Between 10% and 20% depending on useful economic life
- Computer equipment & software: In the year of acquisition
- Motor vehicles: 20%

Depreciation will be charged from the month in which a newly purchased asset comes into use.

Depreciation ceases to be charged in the month the asset is disposed.

### Disposal of Fixed Assets

When a fixed asset is sold or otherwise disposed, a profit or loss may arise. This is the difference between the total sale proceeds, less the cost of disposing of the asset, and the net carrying amount of the asset.

The profit or loss arising on disposal should be recognised as follows:

- profits on disposal of fixed assets must be included in the income and expenditure account under 'profit or loss on sale of assets'
- losses on disposal of fixed assets must be treated as additional depreciation and included in the relevant account within the income and expenditure account

Any asset that is lost or destroyed, and subsequently replaced through insurance proceeds should be removed from the balance sheet. The profit or loss arising (the difference between carrying amount and insurance proceeds) must be recognised in the income and expenditure account under profit and loss on sale of fixed assets. The replacement asset is capitalised at cost in the normal way.

CPET must seek and obtain prior written approval from the Secretary of State, via the ESFA, for the following transactions:

- disposing of a freehold on land or buildings; and
- disposing of heritage assets beyond any limits set out in CPET's funding agreement in respect of the disposal of assets generally. Heritage assets are assets with historical, artistic, scientific, technological, geophysical or environmental qualities that are held and maintained principally for their contribution to knowledge and culture, as defined in applicable financial reporting standards.

CPET may dispose of any other fixed asset (i.e. other than land, buildings and heritage assets as described above) without the approval of the Secretary of State.

CPET must ensure that any disposal maintains the principles of regularity, propriety and value for money. This may involve public sale where the assets have a residual value.

### Custodial Review

The fixed asset register must be formally checked to the assets held at least once a year by the finance officers and verified by the Principal Finance Officer.

## APPENDIX L

### Charging Policy

#### Aims:

- To make a broad programme of trips and activities accessible to as many pupils as possible.
- To establish and maintain a fair and coherent system of charges within the constraints of the budgets of the academies.

#### Practice:

- In cases where charges are to be levied, parents will be advised in advance and monies collected prior to the activity.
- Activities which are wholly within academy hours will not normally be chargeable (exclusions - trips, visits off site and productions by external providers).

#### Basic key principles:

- Any charges made by the academies must meet the requirements of the Education Act 1996 Sections 449 - 462. The trustees and governors endorse the guiding principles contained in the Act, in particular that no child should have their access to the curriculum limited by charges.
- Charges are to recover as a minimum the full cost of providing the goods or services.
- Any surpluses from trading will be made available to meet agreed educational priorities or reduce the cost of that service to the relevant academy as a user.

- Priorities will include supporting financial hardship cases, supporting educational activities which would not be self-financing.
- All expenses, including any set up costs (including software or administration system costs) will be deducted from any surplus generated.
- Charges will not be made for any activities which form part of a prescribed examination syllabus, or are in fulfillment of national curriculum requirements.
- CPET shall have priority of use where resources are concerned, over and above external customers.

### Trips

- All trips will be charged under a voluntary contribution arrangement unless they are fully funded by CPET. If the level of voluntary contribution is insufficient to support the trip then it will be cancelled and parents will be advised of this.
- All trips must have an approved full and detailed financial plan prepared by the trip organiser.
- All costs associated with the trip, including supply costs are to be included when completing the detailed financial plan.
- All trips will have a completed financial statement following completion of the trip to identify any surplus or loss.
- Any surplus will then be adjusted for any costs not already charged – e.g.: online payment charges, administration time.
- Voluntary contributions will be sought for trips which take place mainly within academy hours. No child may be excluded because of inability to pay but an academy is entitled to cancel the trip if the level of contributions does not meet its budgetary requirements.
- All trips are chargeable, subject to any remissions.

### Voluntary contributions

- In practical subjects parents may be asked for the full or partial cost of materials or ingredients if they have indicated in advance that they wish to own the finished product. In addition parents may be asked to provide voluntary contributions towards the costs of consumable materials that are used by their child during the course.

## Breakages, damage and lost items

- Parents will be expected to pay for any breakages or damages caused by their child's irresponsible or careless behaviour or deliberate vandalism. They will also be expected to pay for replacement text/library books or other CPET property entrusted to their child if lost, damaged or defaced.

## Residential trips

- Special rules apply for residential trips. A residential trip counts as taking place during academy hours if the number of academy sessions (of which there are two in a day) missed by the pupils on the trip amounts to at least half of the number of half days taken up by the trip. In every other case a residential trip would count as taking place outside academy hours. This definition becomes more important if the trip starts or ends at a weekend, for example.
- If the residential trip counts as taking place during academy hours, such as year 6 residential, a charge will be made for board and lodging on the trip, except for those pupils whose parents or carers are receiving any of the following benefits at the time of the trip:
  - Income Support (IS);
  - Income Based Jobseekers Allowance (IBJSA);
  - Support under part VI of the Immigration and Asylum Act 1999;
  - Child Tax Credit, provided that Working Tax Credit is not also received and the family's income (as assessed by HMRC) does not exceed £16,190;
  - The guarantee element of State Pension Credit;
  - An income related employment and support allowance.

All parents and carers will be advised of the right to claim free board and lodging if they are receiving the benefits set out above.

## Remissions

- **Residential trips - during academy hours, involving delivery of the national curriculum**  
Requests for help with the cost of board and lodging from parents in receipt of income support, income based job seekers allowance, working tax credit or disability living allowance or personal independent payment will be considered and assistance provided within the limits of the relevant academy's budget. Complete confidence will be observed in all such matters. Parents are encouraged to claim free academy meal entitlement if claiming income support or income based job seekers allowance.

- **Residential trips - not meeting the above criteria**  
Requests for help with the cost of board and lodging from parents in receipt of income support or income based job seekers allowance and claiming free academy meals will be considered and assistance provided within the limits of the relevant academy's budget. Complete confidence will be observed in all such matters.
- **Day trips**  
Requests for help with the cost from parents in receipt of income support or income based job seekers allowance and claiming free academy meals will be considered.

(See Financial Support Application Form – Appendix 1)

## Refunds

### General position

- No refunds are generally allowed for cancellations 4 weeks of departure- but see below for details and any exceptions.
- Any refund not covered by the circumstances below will be at the sole discretion of the relevant academy.

### Cancellation of a trip by the academy

- Refund in full

### Change of trip date by the academy

- Deposits and installment payments refunded on request

Pupil withdrawn from trip by parent or carer – for any reason other than those covered by Trip Insurance\* including personal issue, friendship issue or non-attendance

- If replacement pupil found then a full refund of sums paid less an admin fee of £3 and any extra costs charged to the academy as a result of the change.
- If replacement pupil not found - no refund

\*Covered by Trip Insurance circumstances include -death in the family, illness or injury

- Full refund – less admin fee of £3 and any insurance excess

### Pupil excluded from trip because of behavior or other issues

- No refund. However, if there are individual circumstances to be taken into account these will be considered by the Executive Principal

# Appendix 1

## Cambridge Primary Education Trust - Financial Support Application 20xx-xx

Name	
Pupil's Name	
Form	
Address	
Details of the trip / educational resource you are applying for and the cost	
Item	Cost
Explanation of financial hardship (Please attach any evidence you feel would support your application)	
Signature..... Date .....	
Application meets criteria: <i>Relevant Head teacher to sign</i>	
Funds available to meet request: <i>Relevant finance officer to sign</i>	

## APPENDIX M

### Hiring Policy

#### Statement of General Policy

- 1.1 All applications for the letting of academy premises shall be made using the hiring booking forms.
- 1.2 A designated member of the site staff team will be responsible for locking/unlocking the premises in respect of all hiring.
- 1.3 An Initial Incident Action Card will be issued to all hirers to be used in the event of an emergency.

#### Terms and Conditions

The terms and conditions on which the premises are let shall be as follows:-

- 2.1 Bookings and Fees
  - (a) All applications for the hiring of academy premises must be made through the relevant academy using the appropriate booking form.
  - (b) Bookings can normally only be accepted for up to 6-months in advance.
  - (c) A booking will only be accepted, subject to availability, upon completion of a booking form and signed indemnity. All bookings will be confirmed, in writing. (*Please do not make any arrangements until you have received written confirmation*).
  - (d) The fees charged will be those in force on the day(s) of the hiring; the scale of charges is normally revised with effect from 1<sup>st</sup> September each year by the Finance and Premises Committee.
  - (e) All charges are inclusive of caretaking, cleaning, lighting, heating and water (where applicable).
  - (f) Self-catering is only permitted by arrangements with the relevant academy. The academy kitchens are available for hire by special arrangement.
  - (g) The premises are subject to the normal Sunday trading laws under the Sunday Trading Act 1994 and only restricted items may be sold on a Sunday.

- (h) Hirers wishing to make use of any sound and lighting facilities will have to pay for the hire of an approved technician to operate these. Hirers are NOT permitted to use any stage lighting.
- (i) CPET will not let academy premises to any hirer without first ensuring that such organisations understand CPET's child protection procedures, including the appropriate procedures regarding confidentiality.
- (j) All charges will be invoiced and are payable within 14 days of invoice date.
- (k) The hirer shall not assign the benefit or burden of the hiring or sub-let the premises or any part thereof.

## 2.2 Deposit

- (a) A non-refundable deposit of **20%** of the hire charge is required at the time of booking. (Cheques to be made payable to "Cambridge Primary Education Trust")

## 2.3 Cancellations

- (a) Notice of cancellation must be given, in writing, to the relevant academy at least 14 days before the hiring date. If notice is not received in time then the hirer will be liable for any costs incurred. Deposits are non-refundable.
- (b) CPET reserves the right, by notice to the hirer, to terminate the hiring at any time for reasons outside of their control and to return to the hirer any monies paid by way of deposit. CPET shall not be under any liability to the hirer for any loss or damage they may sustain arising out of such termination. During the Christmas, Easter and summer holiday periods hiring may be refused in order that cleaning, redecoration and other essential work may be carried out. Hiring may also be refused when the facilities are required for examination purposes.

## 2.4 Public Liability Insurance

- (a) All hirers must have adequate public liability insurance cover as a condition of the letting. Please enclose a copy of your own cover with this application.

## 2.5 Hirers' Responsibilities

The hirer shall:

- a) vacate the premises by the time stated on the booking form.
- b) obtain the necessary licence if alcohol is to be sold, a copy of which must be submitted to the relevant academy at least a week before the event.

- c) ensure that they have made appropriate arrangements for the provision of any entertainment licences.
- d) be responsible for obtaining the licence of the owner of the copyright of any dramatic or musical work intended to be performed or sung and must indemnify CPET against any infringement of copyright.
- e) provide a copy of all licences to the relevant academy prior to hire.
- f) be responsible for securing that the provisions of the Betting, Gaming and Lotteries Act 1963, the Gaming Act 1968 or any subsequent amending Act are fully observed and complied with if any part of the premises are to be used for purposes of gaming, or games of chance of any description.
- g) not use inflammable films or materials of any inflammable nature unless the premises are licensed under the Cinematography Acts.
- h) ensure that any equipment brought onto the premises and used is safe and meets the standards of any statutory requirements regarding its serviceability, control and use.
- i) fireproof all scenery and props etc to be used in any performances, in accordance with instructions issued by the fire officer.
- j) observe CPET's No Smoking Policy. CPET also operates a 'gum free policy and chewing gum is banned throughout the academy sites (including grounds).
- k) observe CPET's Health & Safety Policy. A copy is provided to the hirer with each booking.
- l) comply with all applicable notices and signs.
- m) immediately evacuate the premises by the nearest fire exit on the sounding of the fire alarm (*a continuous ringing of the bell*). A copy of the fire evacuation guidance is provided to hirers.
- n) inform the caretaker immediately of any accidents/incidents.
- o) leave the premises and equipment as found.
- p) be responsible for additional expenses incurred, arising from the letting, or any extra cleaning necessary as a consequence of the use of the premises.
- q) be held responsible for any damage to buildings, furniture, equipment or other property. A claim for the reinstatement, replacement or repair of such will be made whether as a result of the negligence of the hirer or his/her invitees, employees or agents during the period of hire. The hirer shall be deemed to have undertaken to pay the cost of such reparation by signing this hire agreement. No nail or fastening of any kind shall be driven or put into any wall, partition, pillar or other fittings or furniture.
- r) be expected to insure the risk and hold legal liability insurance to cover claims directly arising from the hirer's activities.
- s) be responsible for the supervision of all persons attending the premises for the purpose of the hiring whilst they are on the premises and for preserving good order.
- t) shall provide such number of attendants and stewards as may be necessary to secure the efficient supervision of the premises during the hiring, including:-

- the orderly and safe admission and departure of persons to and from the premises and the orderly and safe clearance of the premises in case of emergency.
- the safety of the premises and the preservation of good order and decency therein.
- ensuring that all doors giving egress from the premises are kept unfastened and unobstructed and are immediately available for exit during the whole time the premises are in use.

During the period of the hire a caretaker will be on duty

CPET cannot allow the hirer to use ladders or scaffolding unless they hold a recognised certificate to show that they have been adequately trained to do so.

CPET cannot accept responsibility for any loss, damage, accident or injury arising during the hirer's use of the premises, or to any member of the hirer's party and the hirer shall indemnify CPET against all claims, demands, actions or proceedings.

Car parking is available at all academy premises. All hirers must ensure that vehicles are parked in designated parking spaces only; vehicles should never be parked on the grass. All vehicles are parked at the owner's risk. CPET accepts no responsibility for theft or damage to vehicles while parked on the premises.

### Form of agreement and Indemnity

- 3.1 A booking form must be completed for each letting, giving full details of use of premises/equipment.
- 3.2 The following indemnity will be included on the booking form and must be signed by the hirer before the booking can be accepted:-

*"I certify that I am over 18 years of age. I have read and agree to be bound by the Terms & Conditions of Hire, for the time being in force, and I accept responsibility for the observance of the conditions and agree to pay on demand the letting charge hereby incurred.*

*I hereby indemnify Cambridge Primary Education Trust against all claims in respect of injury, loss or damage (including damage to the premises and equipment) arising from this letting.*

*In requiring this undertaking the Trust does not seek to absolve itself or any employees from liability as owners/occupiers of the premises)."*

3.3 CPET reserves the right to refuse any booking which is deemed unsuitable.

## APPENDIX N

### Gifts and Hospitality Policy

#### Introduction

As a general guideline, gifts, hospitality or other personal benefits (hereinafter referred to as "gifts") should not be accepted or offered by any member of staff, governor or trustee, except as provided for below.

The intention of the policy is to ensure that CPET can demonstrate that no undue or improper influence has been applied, or could be perceived to have been applied, by any supplier or anyone else dealing with CPET. CPET must be able to show that all decisions, whether educational, financial or otherwise are reached on the basis of the proper application of laid-down procedures and for no other reason.

Any breach of this policy could lead to disciplinary action and may constitute gross misconduct.

CPET encourages and expects staff, governors and trustees to use their networks and contacts for its benefit. It is however a fundamental requirement on all staff, governors and trustees that they must not derive any financial benefit beyond their agreed salary from the decisions they make or contribute to, which involve the education of pupils or the spending of the significant sums of public money that are entrusted to CPET. Therefore staff, governors and trustees shall not use their authority or office for personal gain beyond their agreed salary and shall seek to uphold and enhance the standing of CPET by:

- maintaining an unimpeachable standard of honesty and integrity in all their business and other relationships
- complying with the letter and spirit of the law in contractual obligations, rejecting any business practice that might be deemed improper
- acting to maintain the interests and good reputation of CPET at all times in their business and other relationships

Any employee who becomes aware of a breach of policy must refer to CPET's Whistleblowing Policy and report the alleged breach immediately to his or her line manager who will instigate investigations as necessary.

Any personal interest that may impinge, or might reasonably be deemed by others to impinge, on an employee's, governor's or trustee's impartiality, or conflict with the duty owed to CPET in any academy trust relevant to an employee's, governor's or trustee's duties (such as conflicting business interests) shall be declared in writing. Any member of staff, governor or trustee who is aware of any business dealings conferring personal gain, or involving their relatives or associates must make an appropriate entry in the Register of Pecuniary Interests.

#### The receipt of gifts

Staff, governors and trustees are permitted to accept gifts, rewards or benefits from pupils, pupils' families, members of the public, or organisations which CPET has official contact with, only where they are isolated gifts of a trivial character, or inexpensive seasonal gifts (such as chocolates, flowers, diaries or calendars). Therefore, gifts should not be accepted if they appear to be disproportionately generous, or could be construed as an inducement to effect a decision or action, whether business, educational, or other.

Where purchased items include a "free gift", such a gift should be either used for CPET business or handed to CPET to be used at charity raffles, pupil prizes, etc.

In relation to conventional hospitality (lunches, outings, tickets for events, etc.), it may be accepted provided that it is normal and reasonable in the circumstances. However, invitations for the following should not be accepted:

- where there is no reasonable business justification for doing so
- where an invitation is disproportionately generous
- where the invitation could be seen as an inducement to affect a business or other decision.

Any hospitality, other than of a nominal value (estimate of £50.00) or facilities provided during the normal course of business, should be subject to confirmation by the CMAT Audit Team and/or the Executive Principal.

#### The providing of gifts

CPET encourages and seeks cooperative relationships between staff, governors, trustees, stakeholders and external organisations. Accordingly there can be occasions where it is appropriate for CPET to provide and fund limited gifts, in particular hospitality. Likewise it may be appropriate for leaving gifts to be provided to staff leaving the employment of CPET, particularly after a long period of service. Such gifts are often supplemented with private contributions from continuing members of staff.

## APPENDIX O

### Local Government Pension Scheme Discretions Policy

#### General Principles

1.1 Under the rules of the local government pension scheme (LGPS) the employer has the right to authorise discretion on a number of matters regarding the administration of the pension scheme.

1.2 For a number of discretions there is a statutory requirement to publicise the approach the employer will take.

1.3 The approach to exercising discretion in this policy is to allow the employer to make a reasonable decision in individual cases but also to be clear as to the factors it will take into account in making that decision.

1.4 In formulating and reviewing its policy statements the employer is required to:

- have regard to the extent to which the exercise of their discretionary powers, unless properly limited, could lead to a serious loss of confidence in the public service, and,
- be satisfied that the policy is workable, affordable and reasonable having regard to the foreseeable costs.

1.5 Any complaints relating to decisions in these matters would initially need to be raised under the pension scheme's internal disputes resolution procedure, details of which are available from the pension scheme administrator.

1.6 This policy confers no contractual rights.

1.7 CPET retains the right to change this policy at any time.

1.8 Only the policy which is current at the time a relevant event occurs to the scheme member will be the one applied to that member.

#### **This policy deals with the employing authority's discretions under the following legislation:**

The Local Government Pension Scheme (Administration) Regulations 2008 (as amended) (Prefix A below)

The Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2009 (as amended) (Prefix B below)

The Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014 (Prefix C below)

Local Government (Discretionary Payments) (Injury Allowances) Regulations 2011 (Prefix D below)

The Local Government Pension Scheme Regulations 2013 (Prefix R below)

The Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 (as amended) (Prefix E below)

The Local Government Pension Scheme Regulations 1995 (Prefix F below)

**The following table applies to discretions which may be exercised on and after 1 April 2014 in relation to scheme members who left the scheme between 1 April 2008 and 21 March 2014**

Regulation	Discretion	Employer's Policy on the exercise of this discretion
B12	Whether to augment membership of an active member (by up to 10 years)	CPET does not have a general policy to augment membership of an active member by up to 10 years but may decide to do so where a sound business case can be made for exercising this discretion. Each case will be considered on its individual merits. NB – this discretion is not e required after 30 September 2014
B30(2)	Whether to grant application for early payment of benefits on or after age 50/55 and before age 60	CPET does not have a general policy of granting early payment of benefits on or after age 50/55 and before age 60 but will consider requests on a case by case basis. CPET may exercise this discretion where a sound business case can be made for doing so or where other exceptional circumstances

		arise that make payment of those benefits justifiable.
B30(5)	Whether to waive, on compassionate grounds, the actuarial reduction on benefits paid early.	CPET will not generally waive the actuarial reduction applied to benefits paid early under regulation B30(2) above. CPET may consider waiving the actuarial reduction where exercising that discretion can be justified in terms of the sound businesses case made for initially paying those benefits or where other exceptional circumstances arise that make payment of those benefits justifiable. Each case will be considered on its individual merits.
B30 A	Whether to grant early release of pension benefits for former employees who are seemed to be “pensioner members with deferred benefits” under ill health retirement provisions of the LGPS.	CPET does not have a policy of granting such payments and any payments of this sort will be only granted on exceptional compassionate grounds or in situations where no costs will be charged to CPET.
B30A (5)	Whether to waive, on compassionate grounds, the actuarial reduction applied to benefits paid early under B30A.	CPET will not generally waive the actuarial reduction applied to benefits paid early under regulation B30A above. CPET may consider waiving the actuarial reduction where exercising that discretion can be justified in terms of the sound businesses case made for initially paying those benefits or where other exceptional circumstances arise that make payment of those benefits justifiable. Each case will be considered on its individual merits.
A22(2)	Whether to extend the period for a member to elect to pay contributions to cover unpaid leave of absence, maternity,	CPET will allow the extension of the period in cases where the member was not notified

	paternity, or adoption leave beyond 30 days after returning to work or leaving.	of the right to pay contributions.
A83(8)	If a scheme member wishes to transfer pension rights into the LGPS he/she must opt to do so within 12 months of joining the LGPS “or such longer period as the employer may allow”.	CPET will only extend the 12 months time limit in exceptional circumstances.

**The following table applies to the discretions which may be exercised on and after 1 April 2014 in relation to active scheme members and members who cease active membership after 31 March 2014**

R16(2)(e) and R16(4)(d)	This regulation allows CPET to fund employees additional pension contributions up to a maximum of £6500 (as at 1 April 2014) either in whole or in part.	Additional pension contributions will not normally be funded in whole or in part by CPET. Any such payments would only be granted in exceptional cases.
R30(6)	Qualifying scheme members who are over age 55 can, with the consent of CPET , continue to work for CPET on different terms and conditions and request to draw their pension entitlements (flexible retirement).	CPET will not have a general policy of exercising this discretion but may exercise this discretion where a sound business case can be made for granting flexible retirement with immediate access to all or part of the member’s benefits. CPET will consider requests on a case by case basis.
R30(8)	Benefits payable pursuant to D30(6) will be adjusted in accordance with guidance issues by the Government Actuary.	CPET does not have a general policy of waiving, in whole or in part, the actuarial reduction on any benefits paid, but may consider doing so where a sound business case can be made or where other exceptional circumstances arise. Each case will be considered on its individual merits.
Rule of 85 protection	Whether to “switch on” the 85 year rule for a member voluntarily drawing benefits at or after age 55 and before age 60.	Such applications will not normally be approved by CPET. Applications may be approved in exceptional circumstances or where there

		is a sound business case for doing so.
R31	Whether to grant extra annual pension of up to £6500 (as at 1 April 2014) to an active scheme member or within 6 months of leaving to a member whose employment was terminated on the grounds of redundancy or business efficiency.	CPET does not have a general policy to grant this sum but may consider doing so where a sound business case can be made for exercising this discretion or where there are exceptional circumstances. Each case will be considered on its individual merits.
R9 & 10	Active members are required to make contributions on the basis of pensionable pay bands. This policy is made to aid the administration of the scheme – in particular in setting the contribution rates to be applied to each individual. However, nothing in this policy can override the statutory provisions of the LGPS.	CPET will allocate employees to the appropriate contribution rate according to pay band at 1 April each year and adjust only where there is a contractual change during the year.
R100 (6)	Whether, with the agreement of the Pension Fund administering authority, to permit a scheme member to elect to transfer other pension rights into the LGPS if he/she has not made such an election within 12 months of joining the LGPS.	CPET will only extend the 12 months time limit in exceptional circumstances.
R17 & C15(1) (d) & A25(3) & B15(3)	Whether, how much, and in what circumstances to contribute to a Shared Cost Additional Voluntary Contribution (SCAVC) arrangement entered into on or after 1 April 2014 and whether, how much, and in what circumstances to continue to contribute to any SCAVC arrangement that the employer had entered into before 1 April 2014.	CPET does not and does not intend to have a general policy on the provision of any arrangement of this sort.
R22(7) & (8)	Whether to extend the 12 month time limit within which a scheme member who has a deferred LGPS benefit in England or Wales following the cessation of employment (or cessation of a concurrent employment) may elect not to have the deferred benefits aggregated with their new LGPS employment (or ongoing concurrent LGPS employment) if the member has not made an election to retain	CPET will only extend the 12 months time limit in exceptional circumstances.

	separate benefits within 12 months of commencing membership of the LGPS in the new employment (or within 12 months of ceasing the concurrent membership).	
R21(4)(a)(iv), 21(4)(b)(iv) and 21(5)	<p>Whether or not, when calculating assumed pensionable pay when a member is:</p> <ul style="list-style-type: none"> <li>- on reduced contractual pay or no pay due to sickness or injury, or</li> <li>- absent during ordinary maternity, paternity or adoption leave or during paid additional maternity, paternity or adoption leave, or</li> <li>- absent on reserve forces service leave, or</li> <li>- retires with a Tier 1 or Tier 2 ill health pension, or</li> <li>- dies in service</li> </ul> <p>to include in the calculation the amount of any 'regular lump sum payment' received by the member in the 12 months preceding the date the absence began or the ill health retirement or death occurred. A 'regular lump sum payment' is a payment for which the member's employer determines there is a reasonable expectation that such a payment would be paid on a regular basis.</p>	CPET does not have a general policy of exercising this discretion but may do so where a sound business case can be made or there are exceptional circumstances. In any event, CPET will consider requests on a case by case basis and any decisions to exercise this discretion will be fair, equitable and justifiable.
E 5 (1)	Power to increase statutory redundancy payments above statutory weekly pay limit	CPET will not generally increase statutory redundancy payments above statutory weekly pay limit.
E 6	Decision to award up to 104 weeks compensation instead of compensatory added years	CPET will not generally award up to 104 weeks compensation instead of compensatory added years.

**Discretions under the Local Government (Discretionary Payments) (Injury Allowances) Regulations 2011**

D3 (1), (2) (4) & (8)	Whether to grant an injury allowance following reduction in remuneration as a result of sustaining an injury or contracting a disease in the course of carrying out duties of the job, the amount of that allowance and whether the person continues to be entitled to an injury allowance awarded under regulation 3(1).	CPET does not have a general policy of exercising this discretion but may do so where there are exceptional circumstances. CPET will consider each individual on a case by case basis
D4 (1), (2), (3) & (8)	Whether to grant an injury allowance following cessation of employment as a result of permanent incapacity caused by sustaining an injury or contracting a disease in the course of carrying out duties of the job, the amount of that allowance and whether the person continues to be entitled to an injury allowance awarded under regulation 4(1).	CPET does not have a general policy of exercising this discretion but may do so where there are exceptional circumstances. CPET will consider each individual on a case by case basis.
D4 (5)	Whether to suspend or discontinue injury allowance awarded under regulation 4(1) if person secures paid employment for not less than 30 hours per week for a period of not less than 12 months.	CPET will consider each individual on a case by case basis.
D6 (1) & (2)	Whether to grant an injury allowance following cessation of employment with entitlement to immediate LGPS pension where a regulation 3 payment was being made at date of cessation of employment but regulation 4 does not apply, the amount of that allowance and whether and when the payment should cease.	CPET does not have a general policy of exercising this discretion but may do so where there are exceptional circumstances. CPET will consider each individual on a case by case basis.
D7 (1), (2), (3) & (8)	Whether to grant an injury allowance to the spouse, civil partner, nominated co-habiting partner or dependent of an employee who dies as a result of sustaining an injury or contracting a disease in the course of carrying out duties of the job, the amount of that allowance and whether and when the payment should cease.	CPET does not have a general policy of exercising this discretion but may do so where there are exceptional circumstances. CPET will consider each individual on a case by case basis.

## APPENDIX P

### Glossary of acronyms

CMAT – Cambridge Meridian Academies Trust

CPET – Cambridge Primary Education Trust

DfE – Department for Education

ESFA – Education and Skills Funding Agency

EPM - Education Personnel Management

GAG – General Annual Grant

GDPR – General Data Protection Regulations

HMRC – Her Majesty’s Revenue & Customs

HMT – Her Majesty’s Treasury

HR – Human Resources

ITT – Invitation to Tender

LA – Local Authority

LGPS – Local Government Pension Scheme

Ofsted – Office for Standards in Education

OJEU –Official Journal of the European Union

RFQ – Request For Quote

SDP – Strategic Development Plan

SIP – School Improvement Plan

TFEU – Treaty on the Functioning of the European Union

TOR – Terms of Reference