

# Telford College

# Financial Regulations

Updated June 2021

<b>Ref No</b>	0014	<b>Version</b>	Version 3.2
<b>Dept</b>	Finance	<b>Last Updated</b>	June 2021
<b>Responsible Manager</b>	Director of Finance	<b>Next Review</b>	June 2022
<b>Date Approved</b>	12 July 2021	<b>Category</b>	Public/Private
<b>Where Approved</b>	Corporation Meeting	<b>Covers</b>	Staff/Students/ <b>Both</b>
<b>Equality Impact Assessment Completed</b>			

# FOREWORD

To conduct its business effectively, an institution needs to ensure that it has sound financial management systems in place and that they are strictly adhered to. Part of this process is the establishment of financial regulations which set out the financial policies of the institution.

Financial regulations make good business sense, and for further and higher education institutions, they have additional significance as their grant funding depends upon it. The financial memoranda between funding bodies and the institutions they fund makes it a condition of grant that an institution ensures that it has a sound system of internal financial management, and control and financial regulations are a core component of such a system. Similarly, funding body audit services are required to give an assurance that institutions have fully documented financial procedures in place and the funding body may withhold grant where this cannot be shown to be the case.

# CONTENTS

A	GENERAL PROVISIONS .....	7
1	Background .....	7
2	Status of Financial Regulations.....	7
B	CORPORATE GOVERNANCE.....	9
3	The Board of Governors .....	9
4	The Principal.....	9
5	Governance structure .....	10
6	Other senior managers with financial responsibility.....	11
7	Risk management .....	13
8	Whistleblowing.....	14
9	Code of Conduct.....	14
C	FINANCIAL MANAGEMENT AND CONTROL .....	16
10	Financial planning.....	16
11	Financial control.....	19
12	Accounting arrangements.....	21
13	Audit requirements.....	22
14	Treasury management.....	24
15	Income .....	27
16	Other income-generating activity .....	28
17	Intellectual property rights and patents.....	33
18	Expenditure .....	31
19	Pay expenditure .....	39
20	Assets.....	44
21	Funds held on trust .....	46
22	Other.....	45
23	Appendices.....	48

Appendix	Name	Page
A	Documents available on the College website	50
B	Key contacts in the Finance department	51
C	The Seven Principles of Public Life	55
D	Summary of protocols for proposed capital expenditure	57
E	Summary of protocols for proposed major development	59
F	Internal audit responsibilities	60
G	Bank signatories/limits	61
H	Main points included within the Code of Tendering Practice	63
I	Modern Slavery and Human Trafficking Statement	64
J	External contacts	67

# TERMINOLOGY

The following general terms have been used in this guide.

## **AUDIT COMMITTEE**

---

A committee independent of executive responsibility, which advises the Corporation on issues related to internal audit, external audit and financial control. It is required to issue an annual report to the Corporation which, *inter alia*, comments on the institution's system of internal control.

## **FUNDING BODY**

---

This normally refers to the Education and Skills Funding Agency (ESFA).

## **GOVERNING BODY**

---

The Board of Governors ultimately responsible for the affairs of the institution, this is also referred to as "the Corporation".

## **PRINCIPAL**

---

The person with the ultimate executive responsibility for the management of the institution. The Principal is also the Chief Accounting Officer

## **DEPUTY PRINCIPAL**

---

The Deputy Principal's role is to deputise for the Principal when required and to oversee the

business operations of the College's Services team.

### **DIRECTOR/ASSISTANT PRINCIPAL**

---

The head of an academic faculty or non-academic department of the institution who is responsible for the whole faculty or department budget.

### **EXECUTIVE LEADERSHIP TEAM (ELT)**

---

This is constituted by the Principal and Deputy Principal.

### **SENIOR LEADERSHIP TEAM (SLT)**

---

This is constituted by the Principal, Deputy Principal, Assistant Principals and Directors.

# FINANCIAL REGULATIONS

## A GENERAL PROVISIONS

---

### 1 Background

- 1.1 The institution is a further education corporation created under the provisions of the Further and Higher Education Act 1992 as amended by the Education Act 2011. Its structure of governance is laid down in the instrument and articles of government, which may only be amended by formal approval of the Corporation. The institution is accountable through the Corporation, which has ultimate responsibility for the effectiveness of its management and administration.
- 1.2 The institution is an exempt charity by virtue of the Charities Act 1993 as amended by the Charities Act 2011.
- 1.3 The funding agreement between the funding body and the institution sets out the terms and conditions on which grant is made. The Corporation is responsible for ensuring that conditions of grant are met. As part of this process, the institution must adhere to the funding body's audit code of practice, which requires it to have sound systems of financial and management control. The financial regulations of the institution form part of this overall system of accountability.

### 2 Status of Financial Regulations

- 2.1 This document sets out the institution's financial regulations. It translates into practical guidance on the institution's broad policies relating to financial control. This document was approved by the Corporation on 14<sup>th</sup> July 2020. It applies to the institution and all its subsidiary undertakings.
- 2.2 These financial regulations are subordinate to the institution's instruments and articles of government and to any restrictions contained within the institution's funding agreement with the funding body and the funding body's audit code of practice.

- 2.3 The purpose of these financial regulations is to provide control over the totality of the institution's resources and provide management with assurances that the resources are being properly applied for the achievement of the institution's strategic plan and business objectives:
- Financial viability
  - Achieving value for money
  - Fulfilling its responsibility for the provision of effective financial controls over the use of public funds
  - Ensuring that the institution complies with all relevant legislation
  - Safeguarding the assets of the institution.
- 2.4 Compliance with the financial regulations is compulsory for all staff connected with the institution. A member of staff who fails to comply with the financial regulations may be subject to disciplinary action under the institution's disciplinary policy. The Corporation will be notified of any such breach through the audit committee. It is the responsibility of the members of the Senior Leadership team to ensure that their staff are made aware of the existence and content of the institution's financial regulations.
- 2.5 The Corporation is responsible for maintaining a continuous review of the financial regulations.
- 2.6 In exceptional circumstances, this group may consider and recommend a departure from the detailed provisions herein to the Corporation.
- 2.7 The institution's detailed financial procedures set out precisely how these regulations will be implemented and are contained in a separate manual which is available from the Finance Department.
- 2.8 These financial regulations should be read in conjunction with the college policies and procedures published on the college's intranet.



### **3 The Board of Governors, the Corporation**

3.1 The Corporation is responsible for the management and administration of the institution. Its financial responsibilities are to:

- Ensure the solvency of the institution and the safeguarding of the institution's assets
- Appoint, grade, suspend, dismiss and determine the pay and conditions of service of the Principal and other senior post-holders
- Set a framework for pay and conditions of service of all other staff
- Ensure that the financial, planning and other management controls, including controls against fraud and theft, applied by the institution are appropriate and sufficient to safeguard public funds
- Approve the appointment of external auditors and an internal audit service
- Secure the efficient, economical and effective management of all the institution's resources and expenditure, capital assets and equipment, and staff, so that the investment of public funds in the institution is not put at risk
- Ensure that appropriate financial considerations are taken into account at all stages in reaching decisions and in their execution
- Plan and conduct its financial and academic affairs so that its total income is not less than sufficient, taking one year with another, to meet its total expenditure
- Approve an annual budget before the start of each financial year
- Approve tuition fees
- Ensure that the institution complies with the funding body's audit code of practice
- Approve the institution's strategic plan
- Approve the annual financial statements.

### **4 The Principal**

4.1 The Principal is the institution's designated officer. He is responsible for:

- Preparing annual capital and revenue budgets before the start of each financial year
- Preparing the financial plans which include a forecast for the current year plus two

years of budgeted projection.

- Ensuring the financial administration of the institution's affairs in accordance with the funding agreement with the funding body.

As the designated officer, the Principal may be required to justify any of the institution's financial matters to the Public Accounts Committee at the House of Commons (or equivalent bodies in Scotland and Wales).

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

*"...for preparing annual estimates of income and expenditure, for consideration and approval by the governing body, and for the management of budget and resources, within the estimates approved by the Corporation."*

The Principal shall demonstrate his or her oversight of financial matters by signing the balance sheet and the statement of corporate governance within the annual financial statements, and the cover sheet of the financial plan (which include a forecast for the current year plus two years of budgeted projection) submitted to the funding body.

## **5 Governance structure**

- 5.1 The Corporation has ultimate responsibility for the institution's finances, but delegates specific powers and processes to the committees/groups detailed below, which are accountable to the Corporation.

### **5.2 Audit Committee**

Institutions are required by their funding agreement with the funding body and by the funding body's audit code of practice to appoint an audit committee. The committee is independent, advisory and reports to the Corporation. It has the right of access to obtain all the information it considers necessary and to consult directly with the internal and external auditors. The committee is responsible for identifying and approving appropriate performance measures for internal and external audit and for monitoring their performance. It must also satisfy itself that satisfactory arrangements are in place to promote economy, efficiency and effectiveness. The audit requirements of the institution are set out in the funding body's audit code of practice.

### **5.3 Remuneration Committee**

Consideration of senior post holders' pay and conditions is the responsibility of this committee. It has the power to make recommendations to the Corporation on their remuneration, including pay and other benefits, as well as contractual arrangements.

#### **5.4 Search Committee**

The Search Committee only meets as and when required. It is responsible for:

- Advising the Corporation on the appointment of members in the category of business, community, local authority and co-opted members.
- Determining the process whereby candidates are nominated having regard to the provisions of the Instruments of Government.
- Seeking candidates from as wide a field as possible by making appropriate use of advertising, executive search and consultation with interested bodies and serving members.
- Considering the process for seeking new members for the next available period of office. This is done in consultation with other Corporation members so that their views as a whole may be taken into account.

## **6 Other senior managers with financial responsibility**

### **6.1 Deputy Principal**

The Deputy Principal's role is to deputise for the Principal when required. He/She is a member of the Executive Leadership Team and is responsible to the Principal for the running and efficient management of the Business Services departments, Quality and Employer Engagement. Along with the Principal, the Deputy Principal is also responsible for liaison with the College's key financial stakeholders.

### **6.2 Directors and Assistant Principals**

The Directors and Assistant Principals are responsible to the Principal and Deputy Principal for the financial management of the areas or activities they control. They are advised by the Finance Director and the Director of Data & Performance in executing their financial duties. The Finance Director will also supervise and approve the financial systems operating within their departments including the form in which accounts and financial records are kept. Directors and Assistant Principals are responsible for establishing and maintaining clear lines

of responsibility within their departments for all financial matters. Where resources are devolved to budget holders, they are accountable to their Director for their own budget.

Directors shall provide the Finance Director with such information as may be required to enable:

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

The following Director also has additional financial responsibilities:

### **6.3 Finance Director**

The Finance Director is responsible to the Deputy Principal for

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

### **6.4 All members of staff**

All members of staff shall be aware and have a general responsibility for the security of the institution's property, for avoiding loss and for due economy in the use of resources.

They shall ensure they are aware of the institution's financial authority limits (see Section 18) and the values of purchases for which quotations and tenders are required (see Section 18).

They shall make available any relevant records or information to the Finance Director or his authorised representative in connection with the implementation of the institution's financial policies, these financial regulations and the system of financial control.

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

They shall immediately notify the Finance Director whenever any matter arises which involves, or is thought to involve, irregularities concerning, among other things, cash or property of the institution. The Finance Director shall inform the Deputy Principal and take such steps considered necessary by way of investigation and report.

It is the responsibility of all staff to make all reasonable efforts to ensure that evidence is maintained and available for audit.

## **7 Risk management**

- 7.1 The institution acknowledges the risks inherent in its business, and is committed to managing those risks that pose a significant threat to the achievement of its business objectives and financial health. Detailed guidance on the level of risk considered to be acceptable /unacceptable by the institution will be set out in a separate Risk Management Policy.
- 7.2 The Corporation has overall responsibility for ensuring there are risk management strategies and a common approach to the management of risk throughout the institution through the development, implementation and embedment within the organisation of a formal, structured risk management process.
- 7.3 In line with this policy, the Corporation requires that the risk management strategy and supporting procedures include:
- The adoption of common terminology in relation to the definition of risk and risk management
  - The establishment of institution-wide criteria for the measurement of risk, linking the threats to their potential impact and the likelihood of their occurrence together with a sensitivity analysis
  - A decision on the level of risk to be accepted, together with tolerance levels expressed in terms of measurable outcomes (see above)
  - A decision on the level of risk to be covered by insurance (see Section 22)
  - Detailed regular review at directorate or support function level to identify significant risks associated with the achievement of key objectives and other relevant areas
  - Development of risk management and contingency plans for all significant risks, to

include a designated 'risk owner' who will be responsible and accountable for managing the risk in question

- Regular reporting to the Corporation of all the risks that are above established tolerance levels
- An annual review of the implementation of risk management arrangements

The Corporation ensures risk management and board assurance framework policies are in place and will receive an annual report on risk management.

The strategy and procedures must be capable of independent verification.

- 7.4 Directors must ensure that any agreements negotiated within their directorates with external bodies cover any legal liabilities to which the institution may be exposed. The advice of the Deputy Principal should be sought to ensure that this is the case.

## **8 Whistleblowing**

- 8.1 The Corporation has adopted a formal policy on the disclosure of information relating to concerns of serious malpractice or impropriety in the workplace such as fraud, bribery, criminal activity and serious breaches of health and safety. The policy is known as the Whistleblowing Policy and can be obtained from the Clerk to the Corporation and the College's Website

## **9 Code of Conduct**

- 9.1 The institution is committed to the highest standards of openness, integrity and accountability. It seeks to conduct its affairs in a responsible manner, having regard to the principles established by the Committee on Standards in Public Life (formerly known as the Nolan Committee), which members of staff at all levels are expected to observe. These principles are set out at Appendix C. In addition, the institution expects that staff at all levels will observe its code of conduct, contained within their contracts of employment in the paragraphs on Exclusivity of Service, Confidentiality, Copyright, and Inventions and Patents and in its Personnel handbook, which covers:
- Probity and propriety
  - Selflessness, objectivity and honesty
  - Relationships.

9.2 Additionally, members of the Corporation, senior management or those involved in procurement are required to disclose interests in the institution's register of interests. They will also be responsible for ensuring that entries in the register relating to them are kept up to date regularly and promptly. The register is maintained by the Clerk to the Corporation and is also published on the College's website. Declarations are also sought at every individual meeting of the Corporations and its committees/groups.

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

#### 9.4 **Corporate hospitality**

In line with the requirements of the Bribery Act 2010 the College needs to be aware of all hospitality offered to employees and needs to approve the offering of hospitality to companies or other external bodies. Approval must be received from management prior to accepting any hospitality offered and prior to offering any hospitality. Details of both will be held on a central register and inspected by the Deputy Principal and the College's Internal Audit provider. The College's anti-bribery policy can be found on the College's Website.

#### 9.5 **Receiving of gifts**

All gifts received from external bodies must be declared so that management can decide if it is appropriate to accept the gift or if it could be seen as an inducement or bribe. The decision will be recorded on a register of gifts and inspected by the Deputy Principal and the College's Internal Audit provider. The College's receipt of Gifts policy can be accessed on the College's Website.

#### 9.6 **Reporting requirements in the cases of fraud or irregularity**

Telford College requires staff at all times to act honestly and with integrity and to safeguard the public resources for which they are responsible. Fraud is an ever-present threat to those resources and therefore must be a concern to staff. The College will not accept any level of fraud and corruption; consequently, any case will be thoroughly investigated and dealt with appropriately. The College's responsibilities regarding the prevention of fraud and the procedures to be followed where a fraud is discovered or suspected are detailed in the College's Anti-Fraud Policy which can be accessed on the College's Website. This policy Supplements the College's policies on Whistleblowing, Anti-Bribery and Corruption Policy, Disciplinary Policy and Financial Regulations and, as such, should be read in conjunction.

## 10 Financial planning

- 10.1 The Finance Director is responsible for preparing annually a three year financial forecast (which includes a forecast for the current year plus two years of budgeted projection) for approval by the Board of Governors and for submitting the financial forecasts to the grant-funding bodies. The financial forecasts should be consistent with the Strategic Plans and Estates Strategy approved by the Corporation.

Before the beginning of each financial year, the College budget shall be prepared under the direction of the Finance Director for subsequent submission to the Corporation for their consideration and approval.

Once the Corporation has approved the annual estimates of income and expenditure, the Principal is authorised to incur expenditure in accordance with the Financial Regulations and approved budgets.

At the approval of the budgets, limits will be set on budget heads and on the overall surplus/deficit whereby if decisions made by the Management will cause the overall College surplus to vary adversely, approval and amended budgets will be considered by the Corporation)

New project funding in excess of £500K should have a business plan considered by the Corporation) and any contribution anticipated added to the year's forecast surplus. The Corporation should also consider use of any such contribution for other purposes.

### 10.2 Budget objectives

The Corporation will, from time to time, set budget objectives for the institution. These will help the Finance Director in preparing more detailed financial plans for the institution.

### 10.3 Resource allocation

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



#### **10.4 Budget preparation**

The Finance Director is responsible for preparing each year an annual revenue budget and capital programme for consideration by the Corporation. The budget should also include monthly cash flow forecasts for the year and a projected year-end balance sheet. The Finance Director must ensure that detailed budgets are prepared in order to support the resource allocation process and that these are communicated to the Directors as soon as possible following their approval by the Corporation.

During the year, the Finance Director is responsible for submitting revised budgets to the Corporation for approval.

#### **10.5 Budgetary control**

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

Significant departures from agreed budgetary targets must be reported immediately to the Finance Director by the Department Director concerned and, if necessary, corrective action taken.

#### **10.6 Changes to the approved budget**

Changes proposed to the approved budget will be considered by the Corporation, unless they fall within the delegated approval arrangements:

- Principal £50,000

#### **10.7 Capital programmes**

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

Expenditure from devolved "consumable" budgets will only be defined as "Capital" with the agreement of the Finance Director who will make the appropriate budgetary adjustments

Replacement furniture and long term maintenance projects will normally be classified as revenue expenditure.

The Finance Director will establish protocols for the inclusion of capital projects in the capital programme for approval by the Corporation. These will set out the information that is required for each proposed project as well as the financial criteria that they are required to meet.

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

The Finance Director is responsible for providing regular statements concerning all capital expenditure to the Corporation for monitoring purposes.

Following completion of a capital project, a final report should be submitted to the Corporation including actual expenditure against budget and reconciling funding arrangements where a variance has occurred as well as other issues affecting completion of the project. Final reports may also need to be sent to the relevant funding body, as laid down in funding body guidelines.

#### **10.8 Overseas activity**

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

#### **10.9 Other major developments**

Any new aspect of business, or proposed establishment of a company or joint venture, which will require an investment in buildings, resources or staff time of more than £50,000 shall be presented for approval the Corporation.

The Finance Director will establish protocols for these major developments to enable them to be considered for approval by the Corporation. These will set out the information that is required for each proposed development as well as the financial criteria that they are required to meet.

Proposed capital projects over £150,000 in value should be supported by:

- A statement which demonstrates the project's consistency with the strategic plans and accommodation strategy approved by the Corporation;
- An initial budget for the project for submission to the Senior Leadership Team. The budget should include a break-down of costs including professional fees, VAT and funding sources;

- A financial evaluation of the plans together with their impact on revenue where appropriate using an investment appraisal based on Funding Council guidance plus advice on the impact of alternative plans;
- A demonstration of compliance with normal tendering procedures and Funding Council regulations;
- A cash flow forecast.

Selected capital projects will be subject to a performance review.

All major capital building projects will be the subject of a post project investment appraisal.

### **10.10 Project Management**

Prior to commencement, capital investment projects involving expenditure greater than £150,000 shall have a project management structure considered by the Corporation.

The schedule approved by the Corporation should include the following: -

- The procedure for appointment of professional advisers;
- The terms of reference for professional advisers;
- The nomination of staff member responsible for the project
- The level of delegated authority which specific staff members may exercise and an indication of when and to whom the more important matters should be referred;
- An indication of the frequency of reports, and who should make reports to the Corporation, together with a report of the financial status of the project;
- How often a financial appraisal of the project will be given to the Corporation

The approval of expenditure should follow the procedure set out in these Financial Regulations. Any projected expenditure in excess of approved budgets should be approved by the appropriate bodies, and should be reported to the Corporation at the earliest opportunity.

Any projected overspend against budget of less than £50,000 shall be approved by the Principal. Any project Overspend in excess of £50,000 shall be approved by the Corporation.

## **11 Financial control**

### **11.1 Financial information**

Budget holders are assisted in their duties by electronic management information provided by

the Finance Director. The types of management information available to the different levels of management are described in the detailed financial procedures, together with the timing at which they can be expected.

The Finance Director is responsible for supplying budgetary reports on all aspects of the institution's finances to the Corporation. This is primarily through the management accounts but also as determined by the Corporation and subject to any specific requirements of the funding body. A summary statement of the financial position will also be presented to the Corporation.

### **11.2 Management accounts**

Management accounts will be prepared and submitted to the Deputy Principal within 10 working days of the month end for the months September to July of each financial year. Management accounts for August are not required.

The management accounts shall include: -

- Actual income and expenditure in comparison to the budget and with the same period for the previous year
- An outturn forecast for the year
- The current balance sheet
- The projected balance sheet at the year end
- A cash flow forecast for the subsequent twelve months
- Grant funding reports showing the current position, the projected position for the year and a comparison with the same period in the previous year.
- The performance of the subsidiary undertaking.
- Narrative highlighting and explaining any significant variances with the budget.

The Finance Director shall be required to submit monthly management accounts to members of the Corporation at their monthly meeting. The management accounts shall be distributed to all senior managers by the end of the following month.

Management accounts shall be presented to each of the monthly Corporation meetings.

### **11.3 Treatment of year-end balances**

Year end balances on devolved budget will normally be written off at the year end.

## **12 Accounting arrangements**

### **12.1 Financial year**

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

### **12.2 Basis of accounting**

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

### **12.3 Format of the financial statements**

The financial statements are prepared in accordance with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2019 and in accordance with applicable Accounting Standards. They also conform to guidance published by the Grant Funding Bodies.

### **12.4 Capitalisation and depreciation**

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

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

Expenditure incurred on the acquisition of assets other than land and buildings will be recorded in the balance sheet only where the acquisition cost per item is £1,000 or more. Grouped items (e.g. a suite of computers) with an individual value of less than £1,000, but a group value of £10,000 or more, will be capitalised. Capitalised assets other than land and buildings will be depreciated over a period of 3-10 years commencing when the assets became available for use.

### **12.5 Accounting records**

The Finance Director is responsible for the retention of financial documents. These should be kept in a form that is acceptable to the relevant authorities.

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

- Official purchase orders

- Paid invoices
- Accounts raised
- Bank statements
- Copies of receipts
- Paid cheques
- Payroll records, including part-time lecturers' contracts.

The Finance Director will make appropriate arrangements for the retention of electronic records.

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

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

#### **12.6 Public access**

Under the terms of the Charities Act 2011 the Corporation is required to supply any person with a copy of the institution's most recent financial statements within two months of a request. The Act enables the Corporation to levy a reasonable fee and this will be charged at the discretion of the Finance Director. The College accounts direction requires a minimum of two years accounts to be published and accessible to the public on the College's website.

#### **12.7 Taxation**

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

The Finance Director is responsible for maintaining the institution's tax records, making all tax payments, receiving tax credits and submitting tax returns by their due date as appropriate.

### **13 Audit Requirements**

#### **13.1 General**

External auditors and internal auditors shall have authority to:

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

The Finance Director is responsible for drawing up a timetable for the preparation of the final accounts and will advise staff and the external auditors accordingly.

Following consideration by the Audit Committee, the financial statements will be submitted to the Corporation for approval.

### **13.2 External audit**

The appointment of external auditors for the main financial statements of the institution will take place annually and is the responsibility of the Corporation. The Corporation will be advised by the Audit Committee.

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

In addition, the funding body may appoint separate auditors to carry out an external audit of the institution's Learner Record returns. The primary role of this audit is to give assurance that the institution's funding claim is accurate within certain agreed tolerances. This work will also help the external auditors of the institution in their work on the income elements of the financial statements.

### **13.3 Internal audit**

The internal auditor is appointed by the Corporation on the recommendation of the Audit

Committee.

The institution's funding agreement with the funding body requires that it must operate in accordance with advice set out in the funding body's audit code of practice which requires it to consider whether to appoint an internal audit service to fulfil its assurance needs. The main responsibility of internal audit is to provide the Corporation, the Principal and senior management with assurances on the adequacy of the internal control system.

The internal audit service remains independent in its planning and operation but has direct access the Corporation, Principal and Chair of the Audit Committee. The formal responsibilities of internal audit are detailed at Appendix F. The internal auditor will also comply with the Financial Reporting Board's auditing standards.

#### **13.4 Value for money**

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

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

#### **13.5 Other auditors**

The institution may, from time to time, be subject to audit or investigation by external bodies such as the funding body, National Audit Office, European Court of Auditors and HM Revenue & Customs. They have the same rights of access as external and internal auditors.

### **14 Treasury management**

#### **14.1 Treasury management policy**

The Corporation is responsible for approving a treasury management policy statement setting out a strategy and policies for cash management, long-term investments and borrowings. This will require compliance with funding body rules regarding approval for any secured or unsecured loans that go beyond the general consent levels set out in the funding agreement. The Corporation has a responsibility to ensure implementation, monitoring and review of such policies.



All executive decisions concerning borrowing, investment or financing (within policy parameters) shall be delegated to the Finance Director and an appropriate reporting system set up. All borrowing shall be undertaken in the name of the institution and shall conform to any relevant funding body requirements.

The Finance Director will report to the Corporation termly in each financial year on the activities of the treasury management operation and on the exercise of treasury management powers delegated to him/her.

#### **14.2 Appointment of bankers and other professional advisers**

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

#### **14.3 Banking arrangements**

The Finance Director is responsible, on behalf of the Corporation, for liaising with the institution's bankers in relation to the institution's bank accounts and the issue of cheques. All cheques shall be ordered on the authority of the Finance Director, who shall make proper arrangements for their safe custody.

Only the Finance Director, following approval from the Principal, may open or close a bank account for dealing with the institution's funds. All bank accounts shall be in the name of the institution or one of its subsidiary companies.

All cheques drawn on behalf of the institution must be signed in the form approved by the Corporation. Cheques must be signed by two authorised persons, of which only one may be that of an authorised member of staff in the finance department. Details of authorised persons and limits are set out in Appendix G.

All automated transfers on behalf of the institution, such as BACS or CHAPS, must be authorised in the appropriate manner and on the basis approved by the Corporation. Details of authorised persons and limits are set out in Appendix G.

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

## **15 Income**

### **15.1 General**

The Finance Director is responsible for ensuring that appropriate procedures are in operation to enable the institution to receive all income to which it is entitled. All receipt forms, invoices, tickets or other official documents in use and electronic collection systems must have the prior approval of the Finance Director.

Levels of charges for contract research, services rendered, goods supplied and rents and lettings are approved by the Corporation, the procedures for which are also approved by the Corporation.

The Finance Director is responsible for the prompt collection, security and banking of all income received.

The Finance Director is responsible for ensuring that all grants notified by the funding body and other bodies are received and appropriately recorded in the institution's accounts.

The Director of Data & Performance is responsible for ensuring that all claims for funds, including research grants and contracts, are made by the due date.

### **15.2 Maximisation of income**

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

### **15.3 Receipt of cash, cheques and other negotiable instruments**

Most monies will normally be paid into the College reception directly and accounted for by the finance department.

If monies are received within faculties from whatever source they must be recorded by the directorates on a daily basis together with the form in which they were received, for example cash, cheques and other negotiable instruments and paid into the College cashier at the earliest opportunity.

All monies received must be paid to the cashier promptly, and in accordance with a timetable prescribed by the Finance Director. The custody and transit of all monies received must comply with the requirements of the institution's insurers.

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

**Receipts by credit or debit card:**

The institution may only receive payments by debit or credit card using procedures approved by the Finance Director.

**Internet receipts:** The institution may only receive payments via the internet using procedures approved by the Finance Director.

**15.4 Collection of debts**

The Finance Director should ensure that:

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

Only the Finance Director can implement credit arrangements and indicate the periods in which different types of invoice must be paid.

Requests to write off debts in excess of £10,000 must be referred in writing to the Finance Director for submission to the Corporation for consideration. Debts below this level may be written off with the authorisation of the Finance Director.

### **15.5 Student fees**

The procedures for collecting tuition fees must be approved by the Finance Director. He or she is responsible for ensuring that all student fees due to the institution are received.

If any student has not paid an account for fees or any other item owing to the institution the college may prevent the student from re-enrolling at the institution and from using any of the institution's facilities unless appropriate arrangements have been made.

The College operates a fee remission policy designated to assist those learners in financial hardship. This can be found on College's Website.

### **15.6 Student loans**

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

### **15.7 Emergency/hardship loans**

The institution's scheme for emergency/hardship loans must be approved by the Corporation.

The Finance Director is responsible for ensuring the adequacy of the systems in place for:

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

## **16 Other income-generating activity**

### **16.1 Private consultancies and other paid work**

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

- Outside consultancies or other paid work may not be accepted without the consent of the Principal (and for the Principal the Chair of the Corporation)
- Applications for permission to undertake work as a purely private activity must be submitted to the Principal or Chair, as appropriate, and include the following information:
  - The name of the member(s) of staff concerned
  - The title of the project and a brief description of the work involved

- The proposed start date and duration of the work
- Full details of any institution resources required (for the calculation of the full economic cost)
- An undertaking that the work will not interfere with the teaching and normal institutional duties of the member(s) of staff concerned.

## **16.2 Off-site collaborative provision (franchising and subcontracting)**

Any contract or arrangement whereby the institution provides education to students away from institution premises, and is delivered with the assistance of persons other than the institution's own staff or with independent contractors (partner organisations), must be subject to the following procedure. This excludes contracts where training is delivered by College staff or by Protocol professional agency staff in community venues or on employers' premises.

There shall be a contract signed by the Principal and on behalf of any partner organisation that shall comply at least with the funding body model contract (as amended from time to time) in place before any provision is made. Contracts for significant changes in franchising activity shall be approved in advance by the Corporation.

The form and impact of the contract shall be subject to scrutiny by the Deputy Principal.

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

## **16.3 Other income generating activities**

Contracts committing the College to the delivery of education, training or other services in addition to that included in the curriculum audit must be approved by the Deputy Principal or Principal, by signing either a contract or a service level agreement relating to the work.

No written agreement may be entered into with third parties and no additional orders placed regarding part-time staffing or consumables before the contract has been authorised.

Other paid work not included in the agreed budgets may only be entered into with the written

consent of the Principal or Deputy Principal.

Any proposal involving additional payments to members of staff should be supported by a schedule of names and values, and must be approved by a member of the executive leadership team, and where the schedule includes a member of the executive leadership team should be referred to the corporation.

#### **16.4 New ventures**

Any new venture generating or potentially incurring costs in excess of £1M per annum or £2.5M in total should be reported on separately to each monthly Corporation meeting throughout the duration of the project.

For all project funding in excess of £200K per annum, the project manager will be a member of the senior leadership team and he/she will be responsible for preparing procedures for the operational and financial control of the project. These procedures will be subject to the approval of the Finance Director.

New ventures and overseas operations should be managed in accordance with and with regard to the Education Act 2011”.

#### **16.5 Matched funding**

Any such project requires the approval of the appropriate officer prior to any commitment being entered into. Such approval shall be dependent upon the relevant Director being able to demonstrate that eligible matching funds are available (except where contracting through a financing organisation) and that the project is financially viable by the application of the institution’s costing and pricing policy.

Individual applications for funds in excess of £200,000 shall be the subject of a report by the Deputy Principal to the Corporation which will set out, amongst other things, the potential risks generated by the project.

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

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

- Payments are only made against detailed invoices.

#### **16.6 Profitability and recovery of overheads**

All other income-generating activities must be self-financing or surplus-generating unless it is intended that a new course is to be launched as a loss leader. If that is not the case, the reason for it must be specified and agreed by the Deputy Principal and Principal.

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

#### **16.7 Additional payments to staff**

Any proposal that involves additional payments to members of staff should be supported by a schedule of names and values and must be approved by the Deputy Principal and Principal.

### **17 Intellectual Property Rights and Patents**

#### **17.1 General**

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

#### **17.2 Patents**

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

#### **17.3 Intellectual property rights**

In the event of the institution deciding to become involved in the commercial exploitation of inventions and research, the matter should then proceed in accordance with the intellectual property procedures issued by the institution.

### **18 Expenditure**

#### **18.1 General**

The Finance Director is responsible for making payments to suppliers of goods and services to

the institution.

## **18.2 Scheme of delegation/financial authorities**

The Directors are responsible for purchases within their directorate. Purchasing authority may be delegated to named individuals within the directorate. In exercising this delegated authority, budget holders are required to observe the purchasing policies and financial procedures.

The Finance Director shall maintain a register of authorised signatories and budget holders must supply him or her with specimen signatures of those authorised to certify invoices for payment for paper-based transactions.

Under procedures agreed by the Finance Director central control shall be exercised over the creation of requisitioners and authorisers and their respective financial limits.

The Finance Director must be notified immediately of any changes to the authorities to commit expenditure.

No member of staff is authorised to commit the institution to expenditure without first reserving sufficient funds to meet the purchase cost.

Budget holders may authorise orders for revenue expenditure up to £3,000. Orders over £3,000 also require authorisation by the Deputy Principal. All orders are authorised by the Finance Director before output to suppliers, regardless of value.

## **18.3 Procurement**

The institution requires all budget holders, irrespective of the source of funds, to obtain supplies, equipment and services at the lowest possible cost consistent with quality, delivery requirements and sustainability, and in accordance with the institution's procurement policy.

The Finance Director is responsible for:

- Ensuring that the institution's purchasing policy is known and observed by all budget holders.
- Advising on matters of institution purchasing policy and practice
- Advising and assisting Directors where required on specific faculty purchases
- Developing appropriate standing supply arrangements on behalf of the



institution to assist budget holders in meeting their value for money obligations

- Vetting all orders above £3,000 before they leave the institution
- The drafting and negotiation of all large-scale purchase contracts (generally in excess of £50,000) undertaken by the institution, in collaboration with the responsible faculty.
- Ensuring that the institution complies with legal regulations on public purchasing policy.

#### **18.4 Purchase orders**

Official institution orders must be placed for the purchase of all goods or services, except for suppliers of public utility services, periodical payments such as rent or rates, petty cash or other exceptions approved in advance by the Finance Director.

The Finance Director shall be responsible for the arrangement of all official orders issued for supplies and services required by the College.

The ordering of goods and services shall be in accordance with the Institution's detailed financial procedures/purchasing policies outlined in the College's Accounting Procedures Manual. In particular:

- Official orders should be raised via the e-purchasing system Resource 32000, and will follow a predetermined route for authorisation before they can be sent to the supplier.
- The Finance Manager is responsible for ensuring the appropriate authorisation routes for purchase orders are correctly set within the e-purchasing system.
- All goods on approval should be returned to the supplier after review and if such goods are required a separate order should be made;
- Official orders (whether electronic or paper based) must be issued for all goods and/or services supplied to the College except for suppliers of public utility services, periodical payments such as rent or rates, petty cash purchases or other exceptions as approved in advance by the Finance Director;
- Telephone orders should not be placed other than in an emergency and

provided an official order number is quoted to the supplier and the order is confirmed in writing on the same day.

Emergency orders should normally be processed in the normal way with the processed order being emailed to the supplier the same day.

- Each order must clearly indicate the nature and quantity of supplies and services required, the estimated price including VAT and any agreed discounts and other relevant details;
- It is the responsibility of the Finance Manager to ensure that all purchase orders refer to the Institution's conditions of contract;
- Budget holders shall ensure that purchases are made at the most favourable rates by obtaining estimates on the basis that all factors will be taken into account in obtaining best value for money for the College;
- Orders may only be raised for whole items. It is not acceptable to raise part item orders resulting in authorisation at a lower level;
- Where the specified financial regulations and procedures are not followed, the person raising the order may be held personally liable to settle the debt.

When transferring goods or services between directorates, a recharge form must be used or an email request must be sent to the Finance Department from the budget holder providing the funds.

#### **18.5 Purchasing cards**

The operation and control of the institution's purchasing cards is the responsibility of the Finance Director.

Holders of purchasing cards must use them only for the purposes for which they have been issued and within the authorised purchase limits. Cards must not be loaned to another person, nor should they be used for personal or private purchases. Cardholders should obtain approval to purchase from the relevant budget holder and should ensure that there is sufficient budget available to meet the costs. The Finance Director shall determine what information is required on purchases made with purchasing cards from cardholders and deadlines for receipt in the finance section to enable financial control to be maintained and cardholders must provide that information.

#### **18.6 Tenders and quotations**

Directors and delegated budget holders must comply with the institution's tendering procedures as detailed in the College's Procurement Policy.

Only partnership arrangements for the supply of goods or services specifically approved by the Corporation will fall outside these arrangements for tenders and quotations.

#### **18.7 Contracts**

Building contracts are the responsibility of the Corporation and are administered by the Director of Estates and IT.

Proposals will normally be initiated by the Director of Estates and IT in respect of planned replacements, general improvement schemes, space planning or in response to requests from directorates.

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

Proposals shall be presented in the form of costings or investment appraisals prepared in conjunction with the Director of Estates and IT as appropriate for Corporation consideration. Investment appraisals should comply with appropriate funding body guidance.

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

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

#### **18.9 Receipt of goods**

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

If the goods received are deemed to be unsatisfactory, the record shall be marked accordingly and the supplier immediately notified so that they can be collected for return as soon as possible. Where goods are short on delivery, the record should be marked accordingly and the supplier immediately notified.

#### **18.10 Payment of invoices**

The procedures for making all payments shall be in a form specified by the Finance Director.

The Finance Director is responsible for deciding the most appropriate method of payment for categories of invoice. Payments to UK suppliers will normally be made by computer cheques or BACS transfer. In exceptional circumstances the Finance Manager will prepare cheques manually for urgent payments.

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

Suppliers should be instructed by the budget holder to submit invoices for goods or services to the finance department quoting the order number. The finance department will be responsible for entering the invoice onto the e-purchasing system and monitoring the status of the invoice until it had been electronically authorised by the relevant budget holder.

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

Payments will only be made by the Finance department against invoices that have been authorised for payment by the appropriate budget holder.

Authorisation of an invoice (or receipting of an electronic order) will ensure that:

- The goods have been received, examined and approved with regard to quality and quantity, or that services rendered or work done is satisfactory

- Where appropriate, it is matched to the order
- Invoice details (quantity, price discount) are correct
- The invoice is arithmetically correct
- The invoice has not previously been passed for payment
- An appropriate cost centre is quoted; this must be one of the cost centre codes included in the budget holder's areas of responsibility and must correspond with the types of goods or service described on the invoice.
- The invoice can be paid

#### **18.11 Staff reimbursement**

The institution's purchasing and payments procedures are in place to enable the majority of non-pay supplies to be procured through the creditors system without staff having to incur any personal expense. However, on occasion, staff may incur expenses, most often in relation to travel, and are entitled to reimbursement (see 19.7).

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

#### **18.12 Petty cash**

Where a single item is for less than £50 it may be paid from petty cash. It must be supported by receipts or vouchers where available.

The Finance Director shall make available to faculties imprests as he or she considers necessary for the operation of the faculty. However, it is important for security purposes that petty cash imprest floats are kept to a minimum.

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

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

Standard institution petty cash forms are supplied by the Finance Manager and must be used for recording all imprest expenditure.

At the end of the financial year the Petty cash float should be returned to the Finance department for verifying with a member of the Finance staff.

#### **18.13 Other payments**

Payments for bursaries and other items to students on behalf of sponsoring organisations shall be made on the authority of the Finance Director, supported by detailed claims approved by the Director of Student Services.

#### **18.14 Late payment rules**

The Late Payment of Commercial Debts Regulations 2013 was introduced to give small businesses the right to charge interest on late payments from large organisations and public authorities. Key points are:

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

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

#### **18.15 Project advances**

The Deputy Principal and the Finance Director may jointly approve cash advances for projects carried out away from the institution where cash expenditure may be unavoidable. Other forms of payment will be expected to be used wherever possible, such as an official purchase

order and subsequent payment or an institute purchasing card.

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

## **19 Pay Expenditure**

### **19.1 Remuneration policy**

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

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

Salaries and other benefits for senior post holders will be determined by the Remuneration Committee set up by the Corporation.

### **19.2 Appointment of staff**

All contracts of service shall be of the standard form as approved by the Corporation from time to time and all offers of employment with the institution shall be made in writing by the Director of Human Resources. Budget holders shall ensure that the Deputy Principal and the Director of Human Resources are provided promptly with all information they may require in connection with the appointment, resignation or dismissal of employees.

### **19.3 Salaries and wages**

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

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

- Appointments, resignations, dismissals, supervisions, secondments and transfers
- Absences from duty for sickness or other reason, apart from approved leave
- changes in remuneration other than normal increments and pay awards
- Information necessary to maintain records of service for superannuation, income tax and national insurance.

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

The Director of Human Resources shall be responsible for keeping all records relating to payroll including those of a statutory nature.

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

#### **19.4 Superannuation schemes**

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

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

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

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

#### **19.5 Agency or temporary staff**

Orders to recruitment agencies for temporary staff should only be made by Director of Human Resources after approval from the Deputy Principal or Principal.



No other members of staff should place orders directly with recruitment agencies, or any other suppliers of temporary staff.

#### **19.7 Travel, subsistence and other allowances**

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

Claims by members of staff must be authorised by their Director. The certification by the Director shall be taken to mean that:

- The journeys were authorised
- The expenses were properly and necessarily incurred
- The allowances are properly payable by the institution
- Consideration has been given to value for money in choosing the mode of transport.

Arrangements for travel by the Principal, Clerk or members of the Corporation shall be approved by the Chair. Arrangements for travel by the Chair shall be approved by a resolution of the Corporation.

#### **19.8 Overseas travel**

All arrangements for overseas travel must be approved by the Principal in advance of committing the institution to those arrangements or confirmation of any travel bookings. Arrangements for overseas travel by the Principal or members of the Corporation shall be approved by the Chair. Arrangements for travel by the Chair shall be approved by a resolution of Corporation.

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

#### **19.9 Allowances for members of the Corporation**

Claims for members of the Corporation will be authorised by the Chair and are only for exceptional expenditure, not standard meeting attendance.

#### **19.10 Severance and other non-recurring payments**

Severance payments shall only be made in accordance with relevant legislation, and professional advice should be obtained where necessary.

Individual payments up to £10,000 shall be approved by the Principal and the Corporation Chair. Payments in excess of £10,000 but less than £50,000 shall be approved by the Principal and Chair but reported under a confidential item to the Corporation. Items of more than £50,000 shall be referred and reported to the Corporation at the next available opportunity.

All such payments shall be authorised by the Principal with calculations prepared by the Director of Human Resources and checked by the Deputy Principal.

All matters referred to an industrial tribunal shall be notified to the Corporation at the earliest opportunity under a confidential item. All determinations of tribunals must be similarly notified.

### **20 Assets**

#### **20.1 Land, buildings, fixed plant and machinery**

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

#### **20.2 Fixed asset register**

The Director of Estates and IT is responsible for maintaining the institution's registers of land, buildings, fixed plant and machinery. Directors will provide the Director of Estates and IT with any information he or she may need to maintain the register. A separate register of all IT hardware and software will be maintained by the IT Manager.

The fixed asset register will be physically verified annually. All assets unaccounted for will be referred to the appropriate Director who will investigate the reasons why this has occurred. The Director will then report his/her findings to the Director of Estates and IT who will prepare a report of all such assets which will be considered by the Executive Leadership Team.

#### **20.3 Inventories**

Directors are responsible for maintaining inventories, in a form prescribed by the Director of

Estates and IT, for all plant, equipment, furniture and stores in their faculties with a value in excess of £1,000. IT assets are tagged with barcodes and recorded on a database to comply with Cyber Essentials scheme requirements. The inventory must include items donated or held on trust.

Inventories must be checked at least annually.

#### **20.4 Stocks and stores**

Directors are responsible for establishing adequate arrangements for the custody and control of stocks and stores within their faculties. The systems used for stores accounting in faculties will be subject to the approval of the Director of Estates and IT.

Directors are responsible for ensuring that regular inspections and stock checks are carried out. Stocks and stores of a hazardous nature should be subject to appropriate security checks as advised by the Director of Estates and IT .

Stocks are not included in the College balance sheet.

#### **20.5 Safeguarding assets**

Directors are responsible for the care, custody and security of the buildings, stock, stores, furniture, cash, etc under their control. They will consult the Director of Estates and IT

in any case where security is thought to be defective or where it is considered that special security arrangements may be needed.

#### **20.6 Personal use**

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

#### **20.7 Asset disposal**

Disposal of equipment and furniture must be in accordance with procedures agreed by the Corporation. The disposal of surplus materials, stores or equipment with a book value or expected disposal proceeds in excess of £100 should be by competitive tender or public auction unless: -

For amounts £100 and £5,000 - Authorised by the Director of Estates and IT

For amounts £5,000 and £20,000 - Authorised by the Deputy Principal or Principal

For amounts in excess of £20,000 - Considered by the Corporation.

Disposal of land and buildings must only take place with the authorisation of the Board of Governors. The Director of Estates and IT is responsible for ensuring that the Funding Body's consent is obtained for the disposal of all land and buildings, and where exchequer funds were involved in the acquisition of equipment assets.

#### **20.8 All other assets**

Directors are responsible for establishing adequate arrangements for the custody and control of all other assets owned by the institution, whether tangible (such as stock – see above) or intangible (such as intellectual property – see section 17.3), including electronic data.

### **21 Funds held on trust**

#### **21.1 Gifts, benefactions and donations**

The Finance Director is responsible for maintaining financial records in respect of gifts, benefactions and donations made to the institution and initiating claims for recovery of tax where appropriate.

#### **21.2 Student welfare and access funds**

The Director of Student Services will prescribe the format for recording the use of student welfare funds.

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

#### **21.3 Trust funds**

The Deputy Principal is responsible for maintaining a record of the requirements for each trust fund and for advising the Corporation on the control and investment of fund balances.

The Corporation is responsible for ensuring that all the institution's trust funds are operated within any relevant legislation and the specific requirements for each trust. The Corporation will have overall responsibility for investment of fund balances.

#### **21.4 Voluntary funds**

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

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

## **22 Other**

### **22.1 Insurance**

The Finance Director is responsible for the institution's insurance arrangements, including the provision of advice on the types of cover available. As part of the overall risk management strategy, all risks will have been considered and those most effectively dealt with by insurance cover will have been identified. This is likely to include important potential liabilities and provide sufficient cover to meet any potential risk to all assets. This portfolio of insurances will be considered by the Corporation on an annual basis.

The Finance Director is responsible for effecting insurance cover as determined by the Corporation. He/she is therefore responsible for obtaining quotes, negotiating claims and maintaining the necessary records. The Finance Director will keep a register of all insurances affected by the institution and the property and risks covered. He or she will also deal with the institution's insurers and advisers about specific insurance problems.

Directors must ensure that any agreements negotiated within their directorates with external bodies cover any legal liabilities to which the institution may be exposed. The Finance Director's advice should be sought to ensure that this is the case. Directors must give prompt notification to the Finance Director of any potential new risks and additional property and equipment that may require insurance and of any alterations affecting existing risks.

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

The Director of Estates and IT is responsible for keeping suitable records of plant which is subject to inspection by an insurance company and for ensuring that inspection is carried out in the periods prescribed.

The Director of Estates and IT is responsible for keeping suitable records of IT Equipment which is subject to inspection by an insurance company and for ensuring that inspection is carried out in the periods prescribed

All staff using their own vehicles on behalf of the institution shall maintain appropriate insurance cover for business use.

## **22.2 Companies and joint ventures**

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

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

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

## **22.3 Security**

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

The Director of Estates and IT shall be responsible for maintaining proper security and privacy of information held on the institution's computer network. Appropriate levels of security will be provided, such as passwords for networked PCs together with restricted physical access for network servers. Information relating to individuals held on computer will be subject to the provisions of Data Protection Act 2018 and the General Data Protection Regulation 2018. A data protection officer shall be nominated to ensure compliance with the regulations/Act and the safety of documents.

The Finance Director is responsible for the safekeeping of official and legal documents relating to the institution. Signed copies of deeds, leases, agreements and contracts must, therefore, be forwarded to the Finance Director. All such documents shall be held in an appropriately secure, fireproof location and copies held at a separate location.

## **22.4 Students' union**

The students' union is a constituent part of the College and as such is responsible to the Corporation.

The students' union is responsible for maintaining financial records through the College Finance Department.

The College's internal auditor shall have access to records, assets and personnel within the students' union in the same way as other areas of the College.

#### **22.5 Use of the institution's seal**

Where a deed or document requires the institution's seal, it must be sealed by the Principal or, in his or her absence, the Deputy Principal, in the presence of a member of the Corporation.

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

#### **22.6 Provision of indemnities**

Any member of staff asked to give an indemnity, for whatever purpose, should consult the Principal before any such indemnity is given.

#### **22.7 Financial Procedures**

The Finance Director shall maintain and update as requested the Accounting Procedures Manual, which shall be available to staff to ensure the efficient and effective management of the finance function of the College.

#### **22.8 Financial Procedures**

Amendments to the Financial Regulation must be considered by the Audit Committee.

Amendments to the Financial Regulations may only be approved by the Corporation.

The Financial Regulations will be reviewed within 24 months of their approval and any necessary amendments effected.

## 23 Appendices

Appendix A	Documents available on the College’s website ( <a href="http://www.telfordcollege.ac.uk">www.telfordcollege.ac.uk</a> )
Appendix B	Key contacts in the Finance department
Appendix C	The Seven Principles of Public Life from the Report of the Committee for Standards in Public Life (The Nolan Report)
Appendix D	Summary of protocols for proposed capital expenditure
Appendix E	Summary of protocols for proposed major developments
Appendix F	Internal audit responsibilities
Appendix G	Bank signatories/limits
Appendix H	Main points included in the Institution’s Code of Tendering Practice
Appendix I	Modern Slavery and Human Trafficking Statement
Appendix J	External contacts

---

### APPENDIX A: DOCUMENTS AVAILABLE ON THE COLLEGE’S WEBSITE([www.telfordcollege.ac.uk](http://www.telfordcollege.ac.uk))

<b>Documents and Policies</b>	<b>Location on the College’s website (<a href="http://www.telfordcollege.ac.uk">www.telfordcollege.ac.uk</a>)</b>
	College/Governance/College Public Documents
Audit Committee Terms of Reference	College/Governance/College Public Documents/Corporation Members Handbook
Remuneration Committee Terms of Reference	College/Governance/College Public Documents/Corporation Members Handbook



Search Committee	College/Governance/College Public Documents/Corporation Members Handbook
Whistleblowing (public interest disclosure) policy	College/Governance/College Policies
Anti-Bribery Policy	College/Governance/College Policies
Fees Policy	College/Governance/College Policies
Corporate Hospitality Policy	College/Governance/College Policies

## INTRODUCTION

---

- 1 The Finance department is currently located on the ground floor of E Block, Room E029. The cash office is normally open between 10.30 am and 11.00 am and between 12.00 noon and 12.45pm, although there is usually somebody in the office from 8.30 am to 5.00 pm.
- 2 In order to obtain maximum benefit from the finance department, it is important to observe the published deadlines. The deadlines have been established in order to guarantee the delivery of particular services which might not otherwise be achievable.
- 3 The main services are listed on the following pages together with appropriate contact names. There is also a list at the end of the document which gives contact details for individual post-holders.

## EXCHEQUER SERVICES

---

- 4 Exchequer services cover the following functions.
- 5 **Creditor payments.** This section pays all sums owed by the institution other than payroll items. Payments are made mainly to suppliers of goods and services but the section also administers access fund and emergency loan payments to students and petty cash payments. For payments queries please contact Jyoti Gajjar (2470).
- 6 **Collection of income.** All income due to the institution must be banked through the finance department. Payments are received by BACS, cheque, cash, credit cards or debit cards and can be in sterling or foreign currencies. Installment facilities are available for some categories of student in relation to their tuition fees. Overdue debts are pursued in consultation with departments and, where appropriate, court action is taken. Security arrangements for cash in transit are made for transfers between financial services and the bank but not for internal transfers to financial services. For income queries please contact Laura Arscott (2303).

- 7 **Payroll.** The institution's payroll is managed by an independent payroll bureau, which is accessed from the Human Resources department. All standing data and adjustments are affected through the personnel department, which is also responsible for submission of all PAYE returns. For payroll queries please contact Jo Pay (2201).
- 8 **Insurance.** All aspects of insurance cover and claims are handled by the finance department. Prompt notification of all losses by the use of the appropriate form is essential if claims are to be processed effectively. Failure to notify the police in cases of theft or criminal damage can also invalidate cover. For insurance queries please contact Laura Arscott (2303).
- 9 **Controlled stationery.** In order to comply with financial regulations, to ensure that current versions of documents are used and to avoid duplication of control numbers, it is important to order these items from the finance department. They include official requisition forms, invoices, receipts, claim forms, travel forms, etc. To order supplies of controlled stationery please contact Laura Arscott (2303).

## **FINANCIAL ACCOUNTING**

---

- 10 Many of the functions under this heading will not directly affect faculties and departments. They include maintenance of the accounting system, preparation of final and other accounts, tax returns, etc. Another such function relates to treasury management, which encompasses borrowing and lending, cash flow forecasting and management of the bank accounts. There are, however, several services which are for the specific benefit of users.
- 11 **Use of system.** Advice and training is provided for users to access and use the data held in the accounting system. For queries relating to the operation of the accounting system please contact Laura Arscott (2303).
- 12 **Major capital projects.** Assistance in the preparation of bids for funding, investment appraisals and monitoring of schemes are all included within the service. It is mandatory for the negotiation of funding packages to be referred to the Finance Director. For queries relating to capital schemes and grant claims please contact Laura Arscott (2303).

## MANAGEMENT ACCOUNTING

---

- 13 Much of the work in this area is at a corporate level. This includes the preparation of the financial plan, consolidation and submission of planning data to the funding council, compilation of the detailed annual budget and production of comparative statistical data. The Finance Director must also provide regular monitoring statements and financial advice to the Corporation and its groups/committees.
- 14 **Budget monitoring.** At faculty and department level, detailed management accounts are produced indicating performance against budget at account code level. In accordance with strict procedures, budgets are constantly updated and users informed accordingly. All users also receive regular visits from finance department staff in order to ensure that monitoring statements are being received, understood and used. For queries relating to budget maintenance please contact Laura Arscott (2303).
- 15 **Budget planning.** Advice is available for all budget managers for the purpose of the preparation of their business plans. This is particularly important in the area of other services rendered and research grant contracts where markets can be volatile. For queries relating to budget planning please contact Laura Arscott (2303).
- 16 **Internal audit.** All institutions must consider whether to have an independent internal audit function which operates in conjunction with the audit committee. The Finance department is responsible for the receipt and co-ordination of responses to audit reports and for the implementation of Audit Committee projects.

## MANAGEMENT CONTROL

---

- 17 A range of services provided by the finance department relate to the overall control of the institution's systems. Some of these are mandatory.
- 18 **Procedures and regulations.** Financial regulations and detailed financial procedures are maintained and disseminated by the finance department. Again, their existence is a funding council and audit committee requirement. For queries relating to management control matters please contact Laura Arscott (2303).

## PURCHASING

---

- 19 The purchasing function is generally devolved, with authority to purchase granted to budget holders within the threshold framework stipulated in the financial regulations.
- 20 For all purchasing issues contact Laura Arscott (2303).

### Finance department post-holders and contact details

Finance Director	Laura Arscott (2303)	<a href="mailto:laura.arscott@telfordcollege.ac.uk">laura.arscott@telfordcollege.ac.uk</a>
Finance Manager	Emma Caesar	emma.caesar@telfordcollege.ac.uk
Senior Finance Assistant	Matthew Parry (2202)	<a href="mailto:matthew.parry@telfordcollege.ac.uk">matthew.parry@telfordcollege.ac.uk</a>
Senior Finance Assistant	Himath Singh (2252)	himath.singh@telfordcollege.ac.uk
Finance Assistant	Jyoti Gajjar (2470)	<a href="mailto:jyoti.gajjar@telfordcollege.ac.uk">jyoti.gajjar@telfordcollege.ac.uk</a>
Finance Assistant	Zona Ioannou (2373)	<a href="mailto:zona.doody@telfordcollege.ac.uk">zona.doody@telfordcollege.ac.uk</a>

---

APPENDIX C: THE SEVEN PRINCIPLES OF PUBLIC LIFE FROM  
THE REPORT OF THE COMMITTEE FOR  
STANDARDS IN PUBLIC LIFE  
(THE NOLAN REPORT)

**SELFLESSNESS**

---

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

**INTEGRITY**

---

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

**OBJECTIVITY**

---

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

**ACCOUNTABILITY**

---

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

## **OPENNESS**

---

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

## **HONESTY**

---

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

## **LEADERSHIP**

---

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

---

## APPENDIX D: SUMMARY OF PROTOCOLS FOR PROPOSED CAPITAL EXPENDITURE

Proposed capital projects should be supported by:

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

Procedural steps (added as an addendum in October 2018):

- All proposed capex must be requested via a capex form (maintained by the Finance department), signed by the relevant Director
- The staff member requesting the capex purchase must check whether the required equipment (or suitable alternative) does not already exist unused elsewhere in the college
- All capex requests over £5,000 MUST be supported by at least 3 quotes. Value for money must still be demonstrated for purchases below £5,000 but requestors will not be forced to obtain multiple quotes if they can otherwise attest the proposed purchase represents good value
- Capex expenditure below £5,000 can be approved by the Director of Finance.



Expenditure above £5,000 requires approval by the Deputy Principal

- Approved capex must still be ordered via the college purchase requisition/purchase order system
- All IT hardware and software capex must either be proposed by or signed off by the IT department to ensure compatibility with the existing IT infrastructure
- All Estates-related capex must be proposed by the Estates department
- Purchases above £50,000 must be subject to a competitive tendering process.
- Major new developments and new ventures must also be approved under the rules set out in Sections 10.9 and 16.4 of the Financial Regulations

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

---

## APPENDIX E: SUMMARY OF PROTOCOLS FOR PROPOSED MAJOR DEVELOPMENTS

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

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

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

---

## APPENDIX F: INTERNAL AUDIT RESPONSIBILITIES

Internal auditors will be required to adopt the International Standards for the Professional Practice of Internal Auditing and the International Professional Practices Framework (IPPF) as published by the global Institute of Internal Auditors (IIA).

The prime responsibility of the internal audit service is to provide the Corporation with assurance on the adequacy and effectiveness of the risk management, control and governance processes. Responsibility for risk management, control and governance processes remains fully with management, who should recognise that internal audit can only provide 'reasonable assurance' and cannot provide any guarantee against material errors, loss or fraud. Internal audit also plays a valuable role in helping management to improve systems of risk management, control and governance processes and so to reduce the potential effects of any significant risks faced by the college. Risk assessment provides the opportunity for internal audit work to be efficient and focused. It does not necessarily imply that internal audit activity has to be increased.

Internal audit can also provide independent and objective consultancy advice specifically to help management improve the risk management, control and governance processes. In such circumstances, internal auditors apply their professional skills in a systematic and disciplined way to contribute to the achievement of corporate objectives. Such advisory work contributes to the opinion that internal audit provides on the overall adequacy and effectiveness of risk management, control and governance processes.

## **Bank signatories/limits**

### 1. Cheques/BACS

The appointed bankers shall be authorised to honour two of the under mentioned office holders on all documents relating to the College accounts:

- Principal
- Deputy Principal
- Finance Director

For amounts exceeding £50,000 in value, cheques, bills, transfers etc., must be signed by the Principal and one other of the above. The Deputy Principal may sign in the Principal's absence, but only with the Principal's written authority for signature of such documents.

All cheques, transfers and payments from the bank accounts will require two signatures.

In the case of BACS paperwork a schedule of proposal payments shall be prepared and signed by two of the cheque signatories before the transaction has been processed in the banking system.

### 2. Transfers between bank accounts and investments

The appointed bankers shall honour the authorisation of the under mentioned officers for the transfer of funds between bank accounts:

- Up to £500,000 – Finance Director and the Deputy Principal
- £500,000 to £1m - Deputy Principal and the Principal

- Over £1m - Principal and the Chair of the Corporation

---

## APPENDIX H: MAIN POINTS INCLUDED IN THE INSTITUTION'S CODE OF TENDERING PRACTICE

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

---

## APPENDIX I: MODERN SLAVERY AND HUMAN TRAFFICKING STATEMENT

### Introduction

Telford College is committed to preventing acts of modern slavery and human trafficking from occurring within its business and supply chain. The College also expects this from its contractors, suppliers and other business partners

This statement relates to action and activities during the academic years ending 31 August 2020 and 31 August 2021.

### Organisational structure and supply chains

This statement covers the activities of Telford College and its three subsidiary companies. The College has a learner population of around 9,000 and a turnover of approximately £21m.

Telford College has a diverse supply chain, including but not limited to providers of temporary staff, suppliers of stationary and teaching materials, exam bodies and providers of building, maintenance and repair services.

Telford College is aware of its legal responsibility and is developing its framework to ensure its supply chain complies with legislation. This includes policies, risk assessment, due diligence and training.

### College policies

As part of its commitment to combatting modern slavery, the College has the following policies and procedures in place:

- Whistleblowing Policy
- Anti-Bribery & Corruption Policy
- Safeguarding and Child Protection Policy
- Policy and procedures for risk management
- Grievance Policy and procedures
- Due diligence procedures
- Procurement Policy
- Recruitment and selection procedures
- Staff development/CPD programme

The College's policies and procedures are designed to:

- Establish and assess areas of potential risk in our business and supply chains
- Monitor potential risk areas
- Reduce the risk of occurrence
- Provide adequate protection for whistleblowers

The College makes sure its suppliers are aware of its policies and procedures and adhere to the same high standards as our own staff.

### Due diligence

As part of our efforts to monitor and reduce the risk of slavery and human trafficking occurring within the College's supply chains, purchasing consortiums have been utilised, organisations invited to tender for College contracts have been evaluated based on their adherence to the College's purchasing strategy and suppliers' modern slavery statements have been checked.

### Staff training

The College will ensure staff members will undertake training on modern slavery and human trafficking, where deemed appropriate, and will engage with external training providers, as required.



### Approval of this statement

This statement is made in accordance with Section 54(1) of the Modern Slavery Act 2015 and constitutes Telford College's slavery and human trafficking statement for the academic year ending 31 August 2021.

It was presented to and approved by the Telford College Corporation as part of the review of the College's Financial Regulations on 14<sup>th</sup> July 2020 and will be updated annually as part of the review of the College's financial statements.

---

## APPENDIX J: EXTERNAL CONTACTS

### ***External Contacts***

#### **1. Initial advice**

Public Concern at work                      0207 404 6609

#### **2. Financial issues**

**Internal Audit** – Contact Louise Tweedie

RSM

St Philips Point

Temple Row

Birmingham

B2 5AF

07734 683 933

**External Audit** – contact Mark Dawson

KPMG

2 Cornwall Street

Birmingham

B3 2DL

0121 232 3000

#### **3. Health & Safety Issues**

Health & Safety Executive

Haswell House

St Nicholas Street

Worcester

01905 723406