



**Our Lady and All Saints**  
Catholic Multi Academy Company  
Strong in Faith

**Our Lady and All Saints Catholic Multi Academy Company  
Financial Regulations Policy**

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## 1 INTRODUCTION

Our Lady and All Saints Catholic Multi Academy Company (“the MAC”) is an Academy Trust that is part of the Birmingham Diocesan Education Service and is due to welcome schools formally to it on 1 April 2021.

The MAC, as defined under the Schools Act 2010, is an exempt charity; Schools and Academy MACs are not registered or directly regulated by the Charity Commission but rather the Secretary of State for Education as Principal Regulator. As an exempt charity Our Lady and All Saints Catholic Multi Academy must have charitable purposes and apply them for public benefit. The MAC is also a registered company in England and Wales (registration number 12929650). The Master Funding agreement between the MAC and the Secretary of State for Education sets out the terms and conditions to which grant funding is made. The ESFA issues a Schools Financial Handbook annually, which requires Academy Trusts to ensure that sound arrangements for risk management, control and governance, efficiency, and effectiveness (value for money) are maintained within the MAC.

The Board of Directors are responsible for the control and management of the administration of Our Lady and All Saints Catholic Multi Academy Company and must ensure:

- We comply with the general law of charity<sup>1</sup>
- We comply with company law
- We comply with tax law
- We comply with the Education Funding Agency’s Current Schools Financial Handbook
- We comply with the terms in our Master and Supplemental Funding Agreements
- We comply with the terms set out in additional grant funding
- We comply with any guidance issued by the Diocese under Canon Law

These regulations form part of the MAC’s overall system of accountability and contain detailed policies and procedures for financial management and operation.

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<sup>1</sup> Charity Law and particularly the Charities acts 2006 and 2011

## 2 STATUS OF FINANCIAL REGULATIONS

This document sets out the MAC's financial regulations. It translates into practical guidance the MAC's policies and procedures relating to financial management. This document applies to the MAC, Schools and all its subsidiary undertakings.

The purpose of these regulations is to provide control over the totality of the MAC's finances and provide management with assurances that the finances are being properly applied for the achievement of the MAC's Strategic Plan and business objectives in relation to:

- financial viability
- financial risk management
- achieving value for money
- fulfilling its responsibility for the provision of effective financial controls over the use of public funds
- ensuring that the MAC complies with all relevant legislation
- safeguarding the assets of the MAC

Compliance with these financial regulations is **compulsory** for **all staff** connected with the MAC. Any member of staff who fails to comply with these regulations may be subject to disciplinary action under the MAC's disciplinary procedures and this may be reported to the MAC Risk and Audit Committee and Board of Directors. It is the responsibility of senior managers to ensure that all members of staff are made aware of the existence and content of the MAC's Financial Regulations.

The MAC Risk and Audit Committee is responsible for maintaining a continuous review of the Finance Handbook, through the Interim Chief Operating Officer, and for advising the Board of Directors of any additions or changes, as necessary.

In exceptional circumstances, the MAC Risk and Audit Committee may authorise a departure from the detailed provisions herein, such departure is to be recorded by the Company Secretary and reported to Board of Directors at the earliest opportunity.

The MAC's financial policies establish the principles and expected standards by which activities or operational areas of work are to be controlled and managed.

The MAC's financial procedures provide a more detailed description of the standards required within a specific process and prescribe how the MAC's policy should be implemented when performing specific tasks.

Policies and procedures implemented by the MAC are there to control the organisation's exposure to risks in line with the Risk Policy and those identified within the Risk Register. All staff should be made aware of all MAC policies and the procedures in place, including any updates which may be issued from time to time. Should staff have any queries relating to these regulations or any other policy or procedure they should write to the MAC's Company Secretary who will ensure adequate training and guidance is provided.

### 3 CORPORATE GOVERNANCE

#### 3.1 The Board of Directors

The Board of Directors are for the purposes of charity Law, the Directors; for the purposes of company law are the Board of Directors and for the purposes of the Diocese are the Board of Foundation Directors.

The Board of Directors have overall responsibility and ultimate decision-making authority for all the work of the MAC and shall, without affecting a Local Governing Body's ability to set its own policies and procedures (where appropriate), retain overall responsibility for the planning of strategy and setting the MAC's policies. Board of Directors are responsible for and oversee the management and administration of the MAC and the Schools within it; the Board of Directors have the power to direct change where required.

The Board of Directors are responsible for:

- setting the strategic vision of the MAC
- holding the MAC Central Team and other leaders to account for performance
- ensuring financial probity
- ensuring compliance with regulatory and legal requirements

Currently, there are nine representatives on the Board of Directors:

- Paul Bentley
- Robert Brownrigg
- Annie Fuller
- Paul Gray
- Harold Hands
- Mary Johnson
- Jane Loughran
- Stuart Plimmer
- Peter Talbot

The Board of Directors shall demonstrate oversight of financial matters by signing the Balance Sheet, the Board of Directors' Report, the Governance Statement and the Statement of Board of Directors' Responsibilities within the annual financial statements.

The Board of Directors may delegate various functions to the MAC's Central Team and Sub-Committees.

#### 3.2 The Catholic Senior Executive Leader *AFH 1.25 to 1.35*

The Catholic Senior Executive Leader, Peter Davis, acts as the MAC's Accounting Officer as defined within the ESFA's Financial Handbook and is the MAC's designated officer responsible for the financial administration of the MAC's affairs. In this capacity, the Accounting Officer must advise the Board of Directors if, at any time, any action or policy under consideration by them appears to the Accounting Officer to be incompatible with the Master Funding Agreement. Should the Board of Directors, nevertheless, decide to proceed, the

Accounting Officer must immediately inform the principal regulator in writing. The Accounting Officer must ensure that annual budgets are prepared for consideration by the Board of Directors and for the management of the budgets as approved by the Board of Directors. As the designated officer, the Accounting Officer may be required to justify any of the MAC's financial matters to the Public Accounts Committee at the House of Commons. The Accounting Officer shall demonstrate oversight of financial matters by signing the Governance Statement and the Statement on Regularity, Propriety and Compliance within the annual financial statements, as well as the financial forecasts submitted to the Education and Skills Funding Agency.

### **3.3 The Interim Chief Operating Officer *AFH 1.36 to 1.39***

The Interim Chief Operating Officer, Janice Murphy, acts as the MAC's Chief Financial Officer, as defined within the ESFA's Financial Handbook. Day-to-day financial administration is undertaken by the Senior Interim Interim MAC Senior Finance Manager, Michael Lee, with support from the Interim Interim MAC Senior Finance Manager, Daniel Wilks, controlled by the Interim Chief Operating Officer, who is responsible to the Accounting Officer for:

- preparing annual budgets and financial projections
- preparing accounts, management information, monitoring and control of expenditure against budgets and all financial operations
- preparing the MAC's annual accounts and other financial statements and accounts which the MAC is required to submit to other authorities
- ensuring that the MAC maintains satisfactory systems of financial control and financial risk management
- 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

### **3.4 Company Secretary *AFH 1.40 to 1.41***

The Company Secretary, Janice Murphy, assists the MAC in developing and overseeing the systems of control that ensure that the MAC complies with all applicable codes, in addition to its legal and statutory requirements. The Company Secretary can countersign and action any item approved by Board of Directors as recorded in the minutes on behalf of Board of Directors.

### **3.5 Committee Structure**

#### **3.5.1 Local Governing Bodies**

The governor role is to hold the leadership to account by questioning, challenging and triangulating evidence to gain assurance that the actions set out against the priorities for the school in the School Development Plan are being addressed. This will be done through regular monitoring visits and reporting back to the LGB but also routinely within LGB meetings where an important part of each meeting will be the check on actions agreed at previous meetings.

### **3.5.2 The MAC Catholic Life, Curriculum and Standards Committee**

The Committee is responsible for providing assurance to the MAC Board on:

- the standards and performance of all school within the MAC;
- the effectiveness of the MAC Quality Assurance process; and
- that each school is promoting and upholding the MAC's vision, values, and ethos.

### **3.5.3 The MAC Audit and Risk Committee**

The Committee shall:

- determine, oversee and review the arrangements for independent checking of financial controls, systems, transactions and risks;
- review the risks to the internal control framework at the MAC;
- agree an Annual Internal Audit Plan that shall address these and other risks identified by the MAC Board from time to time;
- agree the statement of internal control and, so far as is possible, provide assurance to the external auditor;
- recommend to MAC Board the appointment of internal and external auditors;
- establish and maintain through monitoring, an appropriate risk management strategy and risk register.
- Oversee the actions of the MAC with regard to the proper investigation of whistleblowing and all matters relating there to.
- Approve the annual financial statements in accordance with ESFA guidance and approved Accounting Policies.

### **3.5.4 The MAC Resources Committee**

The purpose of the Committee is to:

- hold to account and constructively challenge the MAC Central Team as to the effectiveness and impact of policy, proposals and practice in relation to the management and deployment of MAC resources;
- review benchmarking data in relation to the overall performance of the MAC in comparison to regional and national standards and to the performance of other
- comparable MACs;
- provide oversight and assurance to the MAC Board as to the effective and appropriate management and use of MAC resources and to make recommendations to the Board in relation to these matters;
- consider and review detailed reports on the financial sustainability, human resource and estate management performance, practices and resources of the MAC;
- oversee all matters relating to health and safety within the MAC.
- Ensure the MAC remains solvent at all times.

- ensure that HR strategies and policies facilitate the delivery of the MAC strategic plan;
- monitor the impact of HR policies and strategies on organisational performance;
- determine strategies and employment policy for all staff including the CSEL;
- adopt open and transparent HR policies and procedures ensuring that HR strategies follow best practice and comply with employment and equality legislation;
- consider any employment issues carrying a significant potential risk (eg. in legal or financial terms) to the MAC.

### **3.5.5 The MAC Pay and Performance Committee**

The purpose of the Committee is to:

- consider and determine terms and conditions including salary of the MAC Central Team and annual PRP awards for headteachers; and
- make recommendations to the Board regarding the pay policy and the terms and conditions of service of the MAC.

## **4 FINANCIAL DELEGATION *AFH 2.4 TO 2.5***

The Scheme of Delegation has been adopted by the Directors from the effective date in accordance with the provisions of the Articles of Association and the ESFA's Schools Financial Handbook and should be read in conjunction with them. The Scheme of Delegation has been developed to ensure financial probity and the MAC remains a going concern.

### **4.1 Senior Leaders**

All Senior Leaders shall provide the Interim Chief Operating Officer with such information as may be required to enable:

- compilation of the MAC's financial statements
- implementation of financial planning
- implementation of audit and financial reviews, project management and value for money studies

#### **4.1.1 Head Teacher**

The Head Teacher is responsible to the Accounting Officer for the financial management of the school, or schools they control. They are advised by the Interim Chief Operating Officer in executing their financial duties. The Interim Chief Operating Officer will also supervise and approve the financial systems operating within their school, including the form in which financial records are kept. Head Teachers are responsible for establishing and maintaining clear lines of responsibility within their school and departments for all financial matters. For the purposes of the MAC's financial regulations Head Teacher shall include Executive Head Teacher. The Head Teacher shall have oversight of all order and contract authorisation in excess of £1,000, in addition to the budget holder.

#### **4.1.2 Budget Holder**

A budget holder structure will be proposed by the Head Teacher and approved by the Interim Chief Operating Officer to devolve resources to staff within the school. The budget holder is responsible to the Head Teacher for delegated funding. Budget holders shall have oversight of all expenditure within their agreed delegated budget.

#### **4.1.3 Catholic Senior Executive Leader**

The Catholic Senior Executive Leader, Peter Davis, shall have oversight of all order and contract authorisation in excess of £20,000, in addition to the Interim Chief Operating Officer.

#### **4.1.4 Interim Chief Operating Officer**

The Interim Chief Operating Officer, Janice Murphy, shall have oversight of all order and contract authorisation in excess of £10,000, in addition to the Financial Controller.

## 4.2 Financial Controller

The Interim MAC Senior Finance Manager, Michael Lee, is for the purposes of the MAC is the Financial Controller and is responsible to the Interim Chief Operating Officer for all aspects of financial and management accounting for the MAC. The Financial Controller shall have oversight of all order and contract authorisation in excess of £2,000, in addition to the Head Teacher. The Interim MAC Senior Finance Manager must inform the Interim Chief Operating Officer of any transaction contrary to these regulations.

## 4.3 All Staff

All members of staff should be aware of, and have a general responsibility for, security of the MAC's property, (e.g. Diocese buildings, equipment, cash and procurement cards), for avoiding loss and for due economy in the use of resources.

Staff should ensure that they are aware of the MAC's financial authority limits and purchase values for which quotations and tenders are required. Details of which can be found in section 5; staff acting outside their limits may, in some circumstances, be personally liable for any contracts entered into.

Staff shall make available any relevant records or information to the Interim Chief Operating Officer, or his or her authorised representative, in connection with the implementation of the MAC's financial policies, these financial regulations and the system of financial control.

Staff shall provide the Interim Chief Operating Officer with such financial and other information as he or she may deem necessary from time to time, to carry out the requirements of the MAC.

Staff shall immediately notify the Company Secretary who will inform the relevant officers whenever any matter arises which involves, or is thought to involve, irregularities concerning, inter alia, cash or property of the MAC and Diocese. The Company Secretary shall take such steps as he or she considers necessary by way of investigation and report in accordance with the MAC Code of Practice on Serious Financial Misconduct and Irregularities.

## 5 RISK MANAGEMENT *AFH 2.6, AFH 2.38 TO 2.42*

Risk management can be defined as 'coordinated activities to direct and control an organisation with regard to risk'. The MAC acknowledges the risks inherent in its business and is committed to managing those risks which 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 MAC will be set out in a separate Risk Management Strategy.

The Board of Directors have overall responsibility for ensuring there is a Risk Management Strategy and a common approach to the management of risk throughout the MAC through the development, implementation and embedding within the organisation of a formal, structured risk management process.

In line with this Policy, the MAC 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 MAC-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
- detailed regular review at department 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 Governing Body of all risks above established tolerance levels
- an annual review of the implementation of risk management arrangements
- the capability for independent verification

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## **6 PUBLIC INTEREST DISCLOSURE (WHISTLEBLOWING) *AFH 2.43 TO 2.48***

Whistleblowing, in the context of the Public Interest Disclosure Act, is the disclosure by an employee (or other party) about malpractice in the workplace. A whistle blower can disclose details of crime, civil offences (including negligence, breach of contract, etc.), miscarriage of justice, danger to health and safety or the environment and the cover-up of any of these. It does not matter whether or not the information is confidential; the whistleblowing can extend to malpractice occurring in the UK and any other country or territory.

The MAC's Whistleblowing Policy is available on their Website and, by request, from the Company Secretary.

## **7 CODE OF CONDUCT**

The MAC 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. In addition, the MAC expects that staff at all levels will observe its code of ethical standards and code of conduct for staff involved in procurement, as specified in the Financial and Purchasing Procedures.

Additionally, members of the MAC, members of the MAC Central Team, Local Governors, Schools' leadership teams, and those involved in procurement or use of facilities are required to disclose interests in the MAC's Register of Interests maintained by the Company Secretary. They will also be responsible for ensuring that entries in the register relating to them are regularly and promptly updated, as prescribed in the Financial Procedures.

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

The MAC is committed to ensuring that an effective anti-bribery programme is adopted with a zero-tolerance policy towards bribery and corruption.

The MAC will conduct its affairs in a responsible manner and expects the highest standards of openness, integrity and accountability from all its staff and stakeholders. For many organisations gifts and hospitality are part of building relationships and, in some societies, they are required behaviour. The MAC Policy is designed as an adequate procedure to prevent expenditure being used as a potential bribe and extends to everyone employed by or dealing with the MAC. Furthermore, it is illegal under the provisions of the Bribery Act 2010, for payments to be made with the intent to influence a foreign public official with the aim of retaining or obtaining an advantage in the conduct of business and/or if they directly or indirectly confer an advantage. The MAC is therefore committed to the following values:

- The MAC prohibits the offer or receipt of gifts, hospitality or expenses whenever they could affect, or be perceived to affect, the outcome of business transactions and are not reasonable and bona fide *AFH 5.31*

- Promotional expenditure is permitted where this is transparent, proportionate, reasonable and bona fide within the confines of MAC regulations and policy
- The conduct of individuals should not create suspicion of any conflict between their official duty and their private interest
- The action of individuals acting in an official capacity should not give the impression (to any member of the public, to any organisation with whom they deal or to their colleagues) that they have been (or may have been) influenced by a benefit to show favour or disfavour to any person or organisation

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

When it is not easy to decide between what is and what is not acceptable in terms of gifts or hospitality, the offer should be declined, or advice sought from the Company Secretary, Financial Controller or Interim Chief Operating Officer. Detailed guidance on the acceptance of gifts or hospitality is contained in the MAC's Policy. This also contains a specific requirement for all staff to declare all offers of gifts exceeding a value of £25.00, for recording in a register.

Irregularities shall be reported to the MAC Risk and Audit Committee who may decide to investigate further.

## **8 FREEDOM OF INFORMATION**

To enable the MAC to comply with the terms of the Freedom of Information Act 2000 and to also meet with the requirements of the ESFA's Schools Financial Handbook, the MAC publishes its most recent Financial Statements on its website following approval by the MAC Board each year. Alternatively, any individual may directly contact the Interim Chief Operating Officer to request a hard copy, which the MAC is required to send out by post within 20 working days of the request being received.

Additionally, the Freedom of Information Act 2000 promotes greater openness and accountability across the public sector, including Academy MACs, to make available information on request from the public. All such requests must be forwarded to the Company Secretary.

## **9 FINANCIAL MANAGEMENT AND CONTROL**

### **9.1 Financial Planning *AFH 2.8***

The Interim Chief Operating Officer is responsible for preparing, with support from the Interim Interim MAC Senior Finance Manager and Accountants/Auditors on an annual basis, a rolling three-year financial plan for approval by Board of Directors and for

preparing financial forecasts for submission to the ESFA. Financial plans should be consistent with the Strategic Plans and Estates Strategy approved by Board of Directors.

## **9.2 Budget Objectives**

Board of Directors will, from time-to-time, set budget objectives for the MAC. These will help the Interim Chief Operating Officer in preparing more detailed financial plans for the MAC.

## **9.3 Resource Allocation**

Resources are allocated annually by Board of Directors, on the recommendation of the Catholic Senior Executive Leader and on the basis of budget objectives. Head Teachers are responsible for the economic, effective and efficient use of resources allocated to them.

## **9.4 Budget Preparation *AFH 2.9 TO 2.14***

Each financial year the MAC prepares a rolling three-year financial forecast, which is submitted to the MAC Board and ESFA. The preparation of the financial budget is overseen by the Interim Chief Operating Officer and the Financial Management team. In preparation for this, each Head Teacher and area of Professional Service firstly prepares a Strategic and Operational plan and then formulates a financial budget, working together with Finance and Planning colleagues. The final draft budget is submitted to the Interim Chief Operating Officer who will consolidate the MAC position and submit to the MAC Board for final approval.

The Interim Chief Operating Officer, with advice from the Interim Interim MAC Senior Finance Manager, is responsible for the preparation of the cash flow forecast, projected year-end balance sheet and the Capital Investment Plan; these will all be considered and submitted to the MAC Resources Committee and MAC Board for approval.

The approved budget is then delegated to the relevant school or service manager who is accountable for the delivery of the income and expenditure contained within the approved budget. The budget holder must ensure that effective and timely day-to-day monitoring is in place to identify any potential variances from budget and, should the need arise, that appropriate corrective action is taken. Significant departures from the budget should be immediately reported to the Interim Chief Operating Officer.

The Interim Chief Operating Officer is responsible for providing appropriate financial information to the MAC Central Team, MAC Resources Committee, facilitating a consistent approach to any financial risks or opportunities which present themselves each financial year. Budget adjustments in-year and treatment of year-end balances are subject to approval by the MAC Board of Directors.

## **9.5 Capital Investment Plans (with initial guidance from the MAC Estates Strategy Working Party)**

Capital investment Plans include all expenditure on land, buildings, valuable equipment, fixtures, fittings and associated costs, whether or not they are funded from capital grants or capitalised for inclusion in the MAC's financial statements. Expenditure of this type can only be considered as part of the Capital Investment Plan when approved by Board

of Directors. All expenditure on land and buildings must be approved by the Directors and include BDES.

The Interim Chief Operating Officer will establish protocols for the inclusion of capital projects in the Capital Investment Plan for approval by Board of Directors. These will set out the information required for each proposed project as well as the mandatory financial criteria.

The Interim Chief Operating Officer will also maintain procedures for the approval of variations, including the notification of large variations to the ESFA, as laid down in ESFA guidelines.

The Interim Chief Operating Officer is responsible for providing regular statements concerning all capital expenditure to the MAC Board for monitoring purposes.

Following completion of a capital project, a post-project evaluation or final report should be submitted to the MAC Board of Directors, including actual expenditure against budget and reconciling funding arrangements where a variance has occurred, as well as other issues affecting completion of the project. Post-project evaluations may also need to be sent to the ESFA.

Approved budgets are not normally amended during the year. However, any new aspect of business, or proposed establishment of a venture, which will require an investment in buildings, resources or staff time of more than £5,000, and outside of the approved budget, should be presented for approval to the MAC Central Team, via the Senior Director of Performance and Standards.

The Interim Chief Operating Officer will maintain the protocols for these developments to enable them to be considered for approval by Board of Directors. These will specify the information required for each proposed development, as well as the mandatory financial criteria.

## **9.6 Financial Control [AFH 2.8](#)**

### **9.6.1 Budgetary Control [AFH 2.18 to 2.23](#)**

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

Significant departures from agreed budgetary targets must be reported immediately to the Interim Chief Operating Officer by the Head Teacher or service manager and, if necessary, corrective action taken.

The Interim Chief Operating Officer shall, at the direction of the Board of Directors, remove all financial delegation from a school. Reasons for this will be communicated with the school and appropriate support put in place.

### **9.6.2 Financial Information**

Budget holders are assisted in their duties by management information provided by the Access Group Accounting System. Types of management information available to the different levels of management are described in the detailed Financial Procedures, together with the times at which they can be expected.

The Interim Chief Operating Officer is responsible for supplying budgetary reports on all aspects of the MAC's finances to the MAC Resources Committee on a basis determined by Board of Directors, but subject to any specific requirements of the ESFA. Where appropriate, the relevant extracts from the overall position are reported to each Committee so they are aware of their own financial performance against budget. These reports are presented to Board of Directors, who have overall responsibility for the MAC's finances.

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## **10 FINANCIAL ORGANISATION**

### **10.1 Accounting Arrangements**

The MAC's financial year will run from 1 September until the following 31 August.

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

The MAC is responsible for approval of the annual Report and Financial Statements of the MAC. These are prepared in accordance with the Schools Accounts Direction and in accordance with applicable accounting standards. The accounting policies are set out in the annually published financial statements.

### **10.2 Accounting Records *AFH 4.1***

The Interim Chief Operating Officer is responsible for the retention of financial documents. These should be kept in a form that is acceptable to the relevant authorities. The MAC is required by law to retain prime financial documents or approved electronic copies for the current financial year, plus six years. These documents will be held in line with the General Data Protection Regulations (GDPR). The Interim Chief Operating Officer will make additional appropriate arrangements for the retention of records to comply with any/all specific requirements of funding organisations.

To aid the reporting and authorisation processes within the Access Group Finance System (Access) the MAC has developed a standard departmental and nominal coding structure. Budget holders are assigned to departments and will authorise expenditure within their delegated budget. Expenditure and income are categorised by nominal codes and the number of available nominal codes is limited by department. Where there are no budget holders for departments it is because entries will be made direct to the nominal, i.e., grant income and payroll.

All financial transactions are to be recorded in the Access. Requests for expenditure must be made through Access Group and budget holders must only authorise expenditure via the workflow operation in the Access. Departure from this process must be approved by the Interim Chief Operating Officer, on a case-by-case basis.

### **10.3 Financial Operations**

#### **10.3.1 Daily Tasks**

To meet the immediate needs of the business and its schools as well as to deal with emerging issues. These tasks would include:-

- Manage bank accounts and ensure a credit balance is maintained at all time. Payments should only be made to suppliers if sufficient cash flow is available. (MAC)
- Process orders and email to suppliers to meet the daily operational needs of the MAC and its schools. (MAC/School)

### **10.3.2 Weekly Tasks**

To ensure the financial records are up to date and are processed using the most efficient practices These tasks would include:-

- Recording of invoices on Access accounting system at least weekly to ensure swift payment to supplier. (MAC/School)
- BACS payments to ensure suppliers are paid within agreed terms. (MAC).

### **10.3.3 Monthly Tasks**

To ensure the records are reviewed for accuracy as well as ensuring revenue and costs are recorded into the periods to which they relate. These tasks include:-

- Reconcile supplier statements to ensure all costs have been accounted for in the correct period. (MAC/School)
- Reconcile petty cash to ensure all costs have been accounted for in the correct period. (MAC/School)
- Reconcile company charge cards to ensure all costs have been accounted for in the correct period. (MAC/School)
- Reconcile Trusts' bank accounts to ensure all income, costs and settlements have been accounted for in the correct period. (MAC).
- Process customer statements to ensure customers are reminded of outstanding balances, for old debtors consider employing debt recovery services. (MAC/School)
- Review and reconcile control accounts to minimise unreconciled transactions. (MAC/School)
- Review management accounts with budget holders and raise any concerns as soon as they arise. The budgeting system on Access should be updated as soon as any permanent variance is identified. (MAC in liaison with School)
- Review payroll reports to approve prior to payment run (MAC/School)

### **10.3.4 Annual Tasks**

To meet the statutory report requirements, required of the MAC and its Schools:

- Review the Budget Forecast Outturn (BFRO), present to Board of Directors and submit to the ESFA in May
- Review the annual budgets and three-year forecast for the MAC (Budget Forecast Return - BFR), present to Board of Directors and submit to the ESFA in July
- Review the annual report and statutory accounts, present to the Audit Committee and submit to the ESFA by 31 December, and to Companies House by 31 May

- Review the Schools' consolidated annual report and accounts, Annual Accounts Return (AAR), present to the Audit Committee and submit to ESFA in January
- Land and Building Collection Tool to be completed by the 28<sup>th</sup> January and authorised by the Interim Chief Operating Officer.

## 11 TAXATION

The Interim Chief Operating Officer is responsible for advising, in the light of guidance issued by the appropriate bodies and relevant legislation as it applies, on all taxation issues relevant to the MAC. Therefore, the Interim Chief Operating Officer will issue instructions to Schools and individual staff on compliance with statutory requirements, including those concerning VAT, PAYE, National Insurance, Corporation Tax and other duties.

The Interim Chief Operating Officer is responsible for maintaining the MAC's tax records, making all tax payments, receiving tax credits and submitting tax returns by the due date (as practically undertaken by the Interim Interim MAC Senior Finance Manager).

## 12 AUDIT REQUIREMENTS

### 12.1 General

External auditors and internal auditors shall have authority to:

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

The Interim Chief Operating Officer is responsible for agreeing a timetable for final accounts purposes and will advise staff and the external auditors accordingly.

Following consideration by the MAC Central Team, key elements of the financial statements should be reviewed by the Audit Committee. On the recommendation of both MAC Central Team and the Audit Committee, they will then be submitted for approval by the Board of Directors.

### 12.2 External Audit [AFH 4.5 to 4.17](#)

The appointment of external auditors will take place at least every five years and is the responsibility of the MAC, who will be advised by the Audit Committee.

The primary role of external audit is to report on the MAC'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 ESFA's Schools Accounts Direction.

### 12.3 Internal Audit [AFH 3.1 to 3.23](#)

The internal auditor is appointed by the MAC on the recommendation of the Risk and Audit Committee.

The ESFA's Academies Financial Handbook requires that the MAC has an effective internal audit function, with an approach to provide assurance of adequacy of the MAC's financial and other controls and management of risks. The prime responsibility of the internal audit service is to provide the MAC, the Accounting Officer, the Interim Chief Operating Officer and senior management with assurances regarding the adequacy and effectiveness of risk management, internal control and governance and the effectiveness of arrangements to ensure economy, efficiency and accuracy of data returns.

The internal audit service remains independent in its planning and operation but has direct access to the MAC, the Accounting Officer, the Interim Chief Operating Officer and the Chair

of the Risk and Audit Committee. The internal auditor will plan work and comply with the relevant International Standards for the Professional Practice of internal auditing and guidance issued by the ESFA.

#### **12.4 Fraud, Bribery and Corruption *AFH 6.10 to 6.14***

It is the duty of all members of staff and management and of the MAC to notify the Company Secretary immediately whenever any matter arises which involves, or is thought to involve, irregularity, including fraud, bribery, corruption or any other impropriety.

The Company Secretary shall follow the Fraud Policy and Fraud Response Plan (and refer to the MAC's Anti-Bribery & Corruption Policy), which incorporates the following key elements:

- the Company Secretary can immediately refer the matter to another appropriate external authority, such as the police or other professional body
- in the case of fraud, the Company Secretary will require an investigation and report. The Company Secretary can appoint an Investigating Officer
- fraud will normally be referred to the internal auditors
- any significant cases of fraud or irregularity may have to be reported to the Audit Committee, the MAC, external auditors, MAC insurers or the ESFA

If the suspected crime is thought to involve the Company Secretary, Accounting Officer and/or Interim Chief Operating Officer, the member of staff shall notify the Chair of the Audit Committee directly of their concerns regarding those irregularities.

#### **12.5 Value for Money *AFH 2.27 to 2.29***

It is a requirement of the ESFA Schools Financial Handbook that the MAC Board has an underlying duty of care to ensure that public funds are spent on the purposes for which they are intended and that good value for money is obtained. 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 ESFA, the National Audit Office, the Public Accounts Committee or other relevant bodies.

To fulfil this responsibility, the MAC will prepare and revise each year a policy for achieving value for money and an annual report to provide evidence of compliance with the ESFA's requirements. Internal audit will also have regard to value for money in its programme of work. These measures will be used to enable the Risk and Audit Committee to provide appropriate value for money assurances to the MAC.

#### **12.6 Other Auditors**

The MAC may, from time to time, be subject to audit or investigation by external bodies such as the ESFA, National Audit Office, European Commission Auditors, European Court of Auditors, HM Revenue and Customs and auditors appointed by other external funders/sponsors of research grants and contracts. They have the same rights of access to information and records as external and internal auditors.

## **13 TREASURY MANAGEMENT**

### **13.1 Treasury Management and Long-Term Investment Policy**

The MAC Resources Committee 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 ESFA rules regarding approval for any secured or unsecured loans that exceed the general consent levels set out in the Scheme of Delegation. The MAC Resources Committee has a responsibility to ensure implementation, monitoring and review of such policies.

All executive decisions concerning borrowing, investment or financing (within policy parameters) shall be delegated to the Interim Chief Operating Officer with appropriate reporting. All borrowing shall be undertaken in the name of the MAC and shall conform to any relevant ESFA requirements.

The Interim Chief Operating Officer will report to the MAC Resources Committee, and through to Board of Directors, on the activities of the treasury management operation and on the exercise of treasury management powers delegated to him or her.

### **13.2 Banking Arrangements**

The Interim Chief Operating Officer is responsible, on behalf of the MAC Resources Committee, for liaising with the MAC's bankers in relation to the MAC's bank accounts and the issue of cheques. All cheques shall be ordered on the authority of the Interim Chief Operating Officer, who shall make proper arrangements for their safe custody.

Only the Interim Chief Operating Officer may open or close a bank account for dealing with the MAC's funds. All bank accounts shall be in the name of the MAC or one of its subsidiary companies.

All cheques drawn on behalf of the MAC must be signed in accordance with the bank mandate approved by the MAC.

All automated transfers on behalf of the MAC, such as BACS or CHAPS, must also be authorised in the appropriate manner and in accordance with the mandate approved by MAC. The Interim Chief Operating Officer is responsible for ensuring that all bank accounts are subject to regular reconciliation and that large or unusual items are investigated as appropriate.

### **13.3 Borrowing Arrangements [AFH 5.32 to 5.33](#)**

Loan facilities made on behalf of the MAC can only be undertaken with Directors authority and, if for that purpose, any mortgage or charge on all or part of the MAC's assets must be approved by Board of Directors in line with ESFA regulations. Borrowing shall include Salix loans or similar.

## **14 INCOME**

### **14.1 General**

The Interim Chief Operating Officer is responsible for ensuring that appropriate procedures are in operation to enable the MAC to receive all income to which it is entitled.

All post should be opened in the presence of two persons to ensure cash and cheques are correctly recorded.

All receipt forms, invoices, tickets or other official documents in use, and electronic collection systems, must have the prior approval of the Interim Chief Operating Officer.

Levels of charges for contracts, services rendered, goods supplied, and rents and lettings are determined by procedures approved by the MAC Central Team, and the MAC.

The Interim Chief Operating Officer is responsible for the prompt collection, security and banking of all income received. Where income is received in the form of cash, the MAC's Cash handling procedures and guidance must be followed.

The Interim Chief Operating Officer is responsible for ensuring all grants notified by the ESFA and other bodies are received and appropriately recorded in the MAC's accounts.

The Interim Chief Operating Officer is responsible for ensuring all claims for funds, including grants and contracts, are made by the due date.

### **14.2 Maximisation of income**

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

Receipt of cash, cheques and other negotiable instruments, receipts by credit or debit card and online receipts must all be promptly and correctly recorded.

The Interim Chief Operating Officer is responsible for ensuring appropriate financial controls and procedures are maintained and followed.

### **14.3 Collection of Debts and Bad Debt [AFH 5.18 to 5.21](#)**

The Interim Chief Operating Officer is responsible for ensuring appropriate Financial controls and debt collection procedures are maintained, in line with the approved Credit Control policies for all debtors. All staff involved in income generation and its administration shall provide the Interim Chief Operating Officer or the Interim Interim MAC Senior Finance Manager with such information as may be required to enable collection of debts. The writing off of all debts must be reported to the MAC Resources Committee and all write offs in excess of £50 must have Committee approval.

## **15 GRANTS AND CONTRACTS**

### **15.1 General**

All externally financed top-up funding and projects are normally for fixed terms and non-recurrent. Where approaches are to be made to outside bodies for support and projects, it is the responsibility of the Head Teacher to ensure that the financial implications have been appraised by the Interim Chief Operating Officer. This will include obtaining a set of grant terms and conditions from each organisation providing funding to enable appropriate monitoring of compliance.

The Interim Chief Operating Officer is responsible for ensuring a process for formal application of grants to include adequate provision of resources to meet all commitments. The Interim Chief Operating Officer should ensure that the full cost of research contracts is established. The grant or contract agreement must be in line with the MAC's policy with regard to indirect costs and other expenses.

All grants and contracts shall be accepted on behalf of the MAC by officers in accordance with MAC's Scheme of Delegated Authority. The Interim Chief Operating Officer shall maintain all financial records relating to grants and contracts and shall initiate all claims by the due date. Each grant or contract will have an assigned cost centre and budget.

Control of pay and non-pay expenditure will be contained within the School. The Head Teacher may delegate day-to-day control of the account to a budget holder, but any overspend or under-recovery of overheads is to be the clear responsibility of the Head Teacher, with any loss being a charge on School funds.

### **15.2 Recovery of Overheads**

Full economic cost should be recovered on all external grants; if this is not possible a funding source for the shortfall should be identified.

### **15.3 Transparency**

Staff in receipt of additional funding will maintain the records specified by the Interim Chief Operating Officer to enable compilation of returns to the ESFA and other bodies.

### **15.4 Grant and Contract Conditions**

Many grant-awarding bodies and contracting organisations stipulate conditions under which their funding is given. In addition, there are often procedures to be followed regarding the submission of interim or final reports or the provision of other relevant information.

Failure to respond to these conditions often means that the MAC could suffer additional external scrutiny and possible financial penalties. It is the responsibility of the named grant holder to ensure that conditions of funding are met.

Any loss to the MAC resulting from a failure to meet conditions of funding is the responsibility of the grant holder and will be charged against School funds.

## **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 Catholic Senior Executive Leader
- applications for permission to undertake work as a purely private activity must be submitted to the CSEL, advised by the Interim Chief Operating Officer 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 MAC resources required (for the calculation of the full economic cost)
  - ✓ an undertaking that the work will not interfere with the teaching and normal MAC or School duties of the member(s) of staff concerned.

### **16.2 Short Courses and Services Rendered**

In this context, a short course is any course which does not form part of the normal teaching load of the MAC.

Any staff wishing to run a short course must have the permission of the CSEL and line manager. The course organiser will be responsible to the CSEL for day-to-day management of the course.

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

### **16.3 Off-Site Collaborative Provision**

Any contract or arrangement whereby the MAC provides education to Pupils away from MAC's premises, or with the assistance of persons other than the MAC's own staff or with independent partner organisations, must be subject to procedures specified by the CSEL.

Where the partnership would represent a significant departure from the MAC's Strategic Plan, Board of Directors shall approve the departure, and the CSEL shall seek the views of and inform the ESFA.

### **16.4 Matched Funding**

The approval of the Interim Chief Operating Officer is required prior to any commitment being entered into for this type of funding. Such approval shall be dependent upon the Head Teacher being able to demonstrate that eligible matching funds are available.

## **16.5 Profitability and Recovery of Overheads**

All other income-generating activities must be self-financing or surplus-generating unless it is intended that a new initiative is to be launched as a loss leader. If that is the case, the reason for it must be specified and agreed by the CSEL and the Interim Chief Operating Officer.

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

## **16.6 Deficits**

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

## **16.7 Additional Contributions to Schools**

Distribution of profits on other income-generating activity between central funds of the MAC and individual Schools will be in accordance with any policy approved by the Board of Directors.

## **16.8 Additional Payments to Staff**

Any proposal involving payments to members of staff should be supported by a schedule of names and values and must be approved by the CSEL, with guidance from the Interim Chief Operating Officer and in line with the Pay Policy.

## **17 INTELLECTUAL PROPERTY RIGHTS AND PATENTS**

### **17.1 General**

Certain activities undertaken within the MAC 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 Intellectual Property Rights**

The MAC claims ownership of any intellectual property devised or created by persons employed by the MAC in the course of their employment. In the event of the MAC deciding to become involved in the commercial exploitation of intellectual property, the matter should be progressed in accordance with Section 16 and the CSEL.

## **18 EXPENDITURE *AFH 2.27 TO 2.29***

### **18.1 General**

The Interim Chief Operating Officer is responsible for making payments to suppliers for goods and services to the MAC.

### **18.2 Purchasing**

The Head Teacher is responsible for purchases within his or her School. Purchasing authority may be delegated to named individuals within the financial limits approved by the MAC in the Scheme of Delegation. In exercising this delegated authority, budget holders are required to observe the purchasing policies and financial procedures.

The Interim Chief Operating Officer shall maintain a register of all authorised signatories on the Access Group. Staff are not permitted to commit the MAC to any form of expenditure unless duly authorised.

Under procedures agreed by the Interim Chief Operating Officer, central control shall be exercised over the creation of requisitioners and authorisers and their respective financial limits and must be notified immediately of any changes to the authorities to commit expenditure.

Head Teachers and other budget holders are not authorised to commit the MAC to expenditure without first reserving sufficient funds to meet the purchase cost. Funds can only be reserved through the Access Group Web Portal.

At least two approved officers must be involved in all payments for goods and services to provide a division of duties between the approval of an order, goods receipting and the approval of an invoice for payment following receipt of the goods or service involved.

### **18.3 Procurement**

The MAC 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 sound business practice. Factors to be considered in determining lowest cost are noted in the Financial Purchasing Procedures.

Head Teachers and other service managers are responsible to the Interim Chief Operating Officer for:

- ensuring that the MAC's Purchasing Policy is known and observed by all involved in purchasing for the MAC
- advising on matters of MAC Purchasing Policy and practice
- advising and assisting Schools, where required, with specific purchases
- developing appropriate standing supply arrangements on behalf of the MAC to assist budget holders in meeting their value for money obligations
- vetting large orders before they leave the MAC

- the drafting and negotiation of all large-scale purchase contracts undertaken by the MAC, in collaboration with the responsible areas
- ensuring that the MAC complies with EU regulations on public purchasing policy

The ordering of goods and services shall be in accordance with the MAC's Purchasing Policy and Procedures and shall use the Access Group in all cases.

Control of the MAC's credit cards is the responsibility of the Interim Chief Operating Officer. All authorised card holders must only use credit cards for the purposes issued and in compliance with financial regulations and procedures.

#### **18.4 Tenders and Quotations**

Head Teachers and delegated budget holders must comply with the MAC's tendering procedures contained in the Financial and Purchasing Policy and Procedures.

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

The main points covered by the MAC's Tendering Procedures may be subject to special rules imposed by funding bodies.

##### **18.4.1 Post-Tender Clarification**

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

- it would not put other tenderers at a disadvantage
- it would not affect their confidence in the MAC's tendering process. The central procurement team will provide further advice and guidance in any such circumstances

##### **18.4.2 Building Contracts**

Building contracts are the responsibility of the MAC Central Team or MAC Board of Directors and are administered by the Interim Chief Operating Officer with advice from the Company Secretary and legal support as appropriate.

Proposals will normally be initiated by the Interim Chief Operating Officer in respect of planned replacements, general improvement schemes, space planning or in response to requests from Schools.

Consultants may be appointed if the project is too large or too specialised for Estates Management resources. Appointments shall be subject to tendering and other purchasing procedures as appropriate.

Proposals shall be presented in the form of a business case or investment appraisal prepared in conjunction with the Interim Chief Operating Officer as appropriate for MAC Board consideration. Investment appraisals should comply with appropriate ESFA guidance.

Following consideration by the MAC Central Team, and approval by the MAC, submissions should be forwarded to the ESFA where appropriate. If the required

agreement is secured from the ESFA, their procedural rules should be followed. ESFA guidance on best practice should be followed even when their specific approval is not required.

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

Conditions of contract for the purchase of goods and services will be followed as described in the MAC's Financial Procedures and the MAC's standard terms and conditions.

### **18.4.3 EU Procurement Regulations**

The central procurement team is responsible for ensuring the MAC complies with its legal obligations concerning EU procurement legislation and the Foreign Corrupt Practices Act, along with the UK Bribery Act 2010. EU procurement regulations apply to written contracts for all forms of procurement, purchase or hire (whether or not hire purchase) with a total value exceeding the published threshold value.

The MAC Central Team will advise Head Teachers on the thresholds currently in operation. A breach of these EU regulations is actionable by a supplier, a potential supplier or by the EU Commission.

It is the responsibility of Head Teachers to ensure that their members of staff comply with EU regulations by notifying the central finance team of any purchase that is likely to exceed the thresholds. This will need to be done well in advance in order to permit advertisements in journals such as the Official Journal of the Union (OJEU).

The central procurement team is also required to annually submit to the ESFA details of expenditure which exceeds the threshold. Copies of the relevant documentation in this category must be provided to the purchasing officer by Head Teachers.

### **18.5 Receipt of Goods and Services**

The receipt of goods and services shall be in accordance with the MAC's Financial Procedures. Payment to suppliers will not be authorised unless the School records receipts through the Access Group.

### **18.6 Payment of Invoices**

The payment of invoices for the supply of goods and services shall be in accordance with the MAC's Financial Procedures and standard terms and conditions.

### **18.7 Staff Reimbursement**

The MAC'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. All claims for reimbursement must be supported with valid receipts in line with the Travel and Expenses Policy.

Where such purchases by staff are planned, the Interim Chief Operating Officer and the relevant Head Teacher may jointly approve cash advances to staff who will incur expenditure on the MAC's behalf. Within one month of completion of the travel or project to which the advance relates a final account must be prepared with supporting receipts, demonstrating how the advance was disbursed and any unspent balance repaid through payroll.

### **18.8 Petty cash**

The MAC does not operate a petty cash system.

### **18.9 Other Payments**

Payments for maintenance and other items to Pupils on behalf of sponsoring organisations shall be made on the authority of the Interim Chief Operating Officer, supported by detailed claims approved by the Head Teacher or their nominated officer. Any other payments must be approved by the Interim Chief Operating Officer.

### **18.10 Late Payment Rules**

Rules for late payments shall be applied as specified in the MAC's Financial Procedures.

### **18.11 Advances**

The Interim Chief Operating Officer and the relevant Head Teacher may jointly approve cash advances for projects undertaken away from the MAC, where cash expenditure may be unavoidable. Other forms of payment will be expected to be used wherever possible, such as an official purchase order and subsequent payment or a MAC purchasing card. Within one month of completion of the travel or project to which the advance relates a final account must be prepared with supporting receipts, to demonstrate how the advance was disbursed and any unspent balance repaid through payroll.

### **18.12 Providing Hospitality**

Staff providing hospitality to guests from external organisations are expected, where practical, to use the MAC's own catering facilities. Where this is not the case, reasons must be stated when submitting a claim for reimbursement. The limits concerning acceptable expenditure for entertaining guests are set out in the MAC's Hospitality Policy.

Under no circumstances should Alcohol be purchased for consumption, except where it is to be used in religious services [AFH 2.35](#)

## **19 PAY EXPENDITURE**

### **19.1 Remuneration Policy**

All MAC staff will be appointed to the salary scales approved by the MAC and in accordance with appropriate conditions of service. All letters of appointment must be issued by the HR Provider.

Salaries and other benefits for senior management reporting into the CSEL will be determined by the Pay and Performance Committee set up by the MAC.

### **19.2 Appointment of Staff**

Staff shall only be appointed to an agreed and costed staffing structure.

All contracts of employment shall be concluded in accordance with the MAC's approved Human Resources policies, personnel practices and procedures and all offers of employment with the MAC shall be made in writing by the HR Provider. Budget holders shall ensure that the Interim Chief Operating Officer and the HR Provider are promptly provided with all required information in connection with the appointment, resignation or dismissal of employees.

### **19.3 Salaries and Wages**

The Interim Chief Operating Officer 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 and seconded staff, will be in a form prescribed or approved by the Interim Chief Operating Officer.

The Payroll Provider will be responsible for keeping the Interim Chief Operating Officer 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 pensions, income tax and National Insurance and the financial settlement thereof.

The Interim Chief Operating Officer is responsible for payments to non-employees and for informing the appropriate authorities of such payments. All employees will be included on the payroll unless they provide evidence that they are deemed to fall outside IR35 legislation concerning personal service companies.

The Interim Chief Operating Officer 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 MAC's detailed payroll procedures and comply with HMRC regulations.

#### **19.4 Pension Schemes**

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

The Interim Chief Operating Officer is responsible for day-to-day pension matters, including:

- auto-enrolment of new staff in an approved pension scheme
- paying contributions to pension schemes
- preparing the annual returns to pension schemes
- administering the MAC's pension funds

The Interim Chief Operating Officer is responsible for administering eligibility to pension arrangements and arranging when deductions should begin or cease for staff.

#### **19.5 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 Interim Chief Operating Officer.

Claims by members of the MAC Central Team must be authorised by their line manager and those of school staff by the Head Teacher or approved nominated officer. Certification by a line manager shall be taken to mean that:

- the journeys were authorised
- the expenses were properly and necessarily incurred and receipted
- the allowances are properly payable by the MAC in line with approved policies
- consideration has been given to value for money in choosing the mode of transport

Travel expenses incurred by the CSEL shall be approved by the Interim Chief Operating Officer as the specifically nominated officer and those of the Interim Chief Operating Officer will be approved by the Company Secretary. Travel expense policy and arrangements for the Chair of the Board of Directors and local governors shall be approved by the Interim Chief Operating Officer as nominated officer.

#### **19.6 Overseas Travel**

All arrangements for overseas travel must be approved by the relevant member of the MAC Central Team (or nominated approved officer) in advance of committing the MAC to those arrangements or confirmation of any travel bookings. Arrangements for overseas travel by the CSEL or members of the MAC Central Team shall be approved by the Chair of the MAC. Arrangements for travel by the Chair and Board of Directors is not allowed under the articles of association.

Where spouses, partners or other persons unconnected with the MAC intend to participate in a trip, this must be clearly identified in the approval request. The MAC must receive reimbursement of costs for these persons and may also ask for these costs to be covered in advance of confirming travel bookings.

## **19.7 Allowances for Members of the MAC**

Claims for members of the MAC will be authorised by the Company Secretary or approved nominated officers. Only reasonable expenses can be reimbursed.

## **19.8 Severance and Other Non-Recurring Payments [AFH 5.6 to 5.15](#)**

Severance payments shall only be made in accordance with relevant legislation and under a scheme approved by the Redundancy Committee, Pay and Performance Committee or the MAC. Professional advice should be obtained where necessary. Amounts paid shall be declared in the financial statements. Prior approval by the ESFA may be required prior to committing funds.

## **19.9 Work Experience**

The MAC may, from time to time, appoint suitable short-term volunteers in furtherance of their personal career development. Such volunteers may only be appointed for a maximum of two weeks and all normal HR procedures must be followed prior to commencement of any such appointments. In recognition of their work, and subject to agreement between the Interim Chief Operating Officer and the Head Teacher or CSEL, a nominal gift up to the value of £50.00 may be made to the volunteer.

## **20 ASSETS**

### **20.1 Land, Buildings, Fixed Plant and Machinery [AFH 5.22 to 5.23](#)**

Unless otherwise specified in the Schedule of Delegation, the purchase, lease or rent of land, buildings or fixed plant can only be undertaken with authority from the MAC. Compliance with ESFA requirements is expected where exchequer-funded assets or exchequer funds are involved.

### **20.2 Fixed Asset Register**

The Interim Chief Operating Officer is responsible for maintaining the MAC's register of land, buildings, fixed plant and machinery. Head Teachers will provide the Interim Chief Operating Officer with any information required to maintain the register.

### **20.3 Inventories**

Head Teachers are responsible for maintaining inventories, in a form prescribed by the Interim Chief Operating Officer, for all plant, equipment, furniture and stores in their Schools. The inventory must include items donated or held in MAC.

As specified in the MAC's Financial Procedures, inventories must be managed and physically checked on a regular basis.

## **20.4 Stocks and Stores**

Head Teachers are responsible for establishing adequate arrangements for the custody and control of stocks and stores within their School.

## **20.5 Safeguarding Assets**

Head Teachers are responsible for the care, custody and security of the Diocese buildings, stock, stores, furniture, cash and other assets under their control. They will consult the Interim Chief Operating Officer 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 MAC shall not be subject to personal use without appropriate authorisation by a senior line manager.

## **20.7 Asset Disposal [AFH 5.22 to 5.23](#)**

Disposal of equipment, furniture and other items must be in accordance with procedures agreed by the MAC and contained in their Financial Procedures.

Disposal of land and buildings must only take place with the authorisation of MAC. ESFA consent may also be required if public funds were involved in the acquisition of the asset.

Disposal of assets must be reported to, and approved by, the MAC Resources Committee.

## **20.8 All Other Assets**

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

# **21 FUNDS HELD BY THE MAC**

## **21.1 Gifts, Benefactions and Donations [AFH 5.31](#)**

The Interim Chief Operating Officer is responsible for maintaining financial records in respect of gifts, benefactions and donations made to the MAC and, where appropriate, initiating claims for recovery of tax.

## **21.2 Pupil Welfare and Access Funds**

The Interim Chief Operating Officer will prescribe the format for recording usage of Pupil welfare funds.

Records of access funds will be maintained according to ESFA or other requirements.

### **21.3 MAC Funds**

The Interim Chief Operating Officer is responsible for maintaining a record of the requirements for each School fund and for advising the MAC Board on the control and investment of fund balances.

The Interim Chief Operating Officer is responsible for ensuring that all the MAC funds are operated within relevant legislation and the specific requirements for each School. He or she will also be responsible for investment of fund balances.

### **21.4 Voluntary Funds**

All funds controlled by staff employed by the MAC in furtherance of its objectives or closely related activity shall be deemed as being part of the MAC's activities, unless it is run by a separate legal body.

The Interim Chief Operating Officer shall be informed of any fund that is not an official fund of the MAC, which is controlled wholly or in part by a member of staff in relation to their function in the MAC.

The accounts of any such fund shall be incorporated into the MAC financial operations and be subject to audit in the same way. The Interim Chief Operating Officer shall be entitled to verify that this has been done.

## **22 OTHER REGULATIONS**

### **22.1 Insurance**

The Interim Chief Operating Officer is responsible for the MAC'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 be considered and those most effectively dealt with by insurance cover will be provided for. The portfolio of insurance provision will be considered and approved annually by the MAC Resources Committee.

The Interim Chief Operating Officer is responsible for placing insurance cover as determined by the MAC Resources Committee. He or she is therefore responsible for obtaining quotes, negotiating claims and maintaining the necessary records. The Interim Chief Operating Officer will keep a register of all insurances placed by the MAC and the property and risks covered. He or she will also deal with the MAC's insurers and advisers about specific insurance requirements and issues.

Head Teachers must ensure that any agreements negotiated within their School and with external bodies cover any legal liabilities to which the MAC may be exposed. The MAC's MAC Central Team will provide advice as appropriate to ensure this is the case. Head Teachers must give prompt notification to the Interim Chief Operating Officer of any potential new risks and must advise the Interim Chief Operating Officer immediately of any event that may give rise to an insurance claim. The Interim Chief Operating Officer will notify the MAC's insurers

and, if appropriate prepare a claim, in conjunction with the claimant, for dealing with the insurers.

Individual schools are 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 prescribed periods.

All staff using their own vehicles on behalf of the MAC shall maintain appropriate personal insurance cover for business use, including travel between MAC Schools. For the purposes of this document, 'insurance' includes the ESFA's Risk Protection Arrangements (RPA).

## **22.2 Subsidiary Companies and Joint Ventures**

In certain circumstances it may be advantageous to the MAC to establish a company or a joint venture to undertake services on their behalf.

Any proposals to establish a subsidiary company or a joint venture should be referred to the Interim Chief Operating Officer, who should have due regard to guidance issued by the ESFA and will be responsible for taking appropriate professional advice.

The MAC is responsible for approving the establishment of all companies or joint ventures and the procedure to be followed; this will have regard to any guidance provided by the funding bodies. The Interim Chief Operating Officer will thereafter be responsible for maintaining statutory records, ensuring preparation of financial returns and external audit arrangements.

## **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 immediately reported to the Interim Chief Operating Officer. The contents of safes must be within their respective maximum insurance limits at all times. The security of all other keys is the responsibility of the key holder and must be kept on their person or in an approved facility.

Each school shall be responsible for maintaining proper security and privacy of information held on their school's MAC's computer network. Appropriate levels of security will require to be provided, such as passwords for networked PCs, together with restricted physical access for network servers. Information relating to individuals held on computer will be subject to the provisions of the GDPR 2018 and Data Protection Act 2018. A Data Protection Officer shall be nominated to ensure compliance with the Act and the safety of documents.

The Interim Chief Operating Officer is responsible for the safekeeping of financial contractual and legal documents relating to the provision of loans/capital and financial services provided by third parties. The Company Secretary is responsible for the safekeeping of all other contractual and legal documents. Therefore, signed copies of deeds, leases, agreements, and contracts must be forwarded to the relevant business area, be that the Interim Chief Operating Officer or the Company Secretary. All such documents shall be held in an appropriately secure location.

#### **22.4 Use of the MAC's Seal**

Where a deed or document requires the MAC's Seal, it must be sealed by the Company Secretary.

The Company Secretary is responsible for submitting a report to each MAC Board meeting, detailing the use of the Seal since the last meeting.

The seal must be kept in a secure facility.

#### **22.5 Provision of Indemnities**

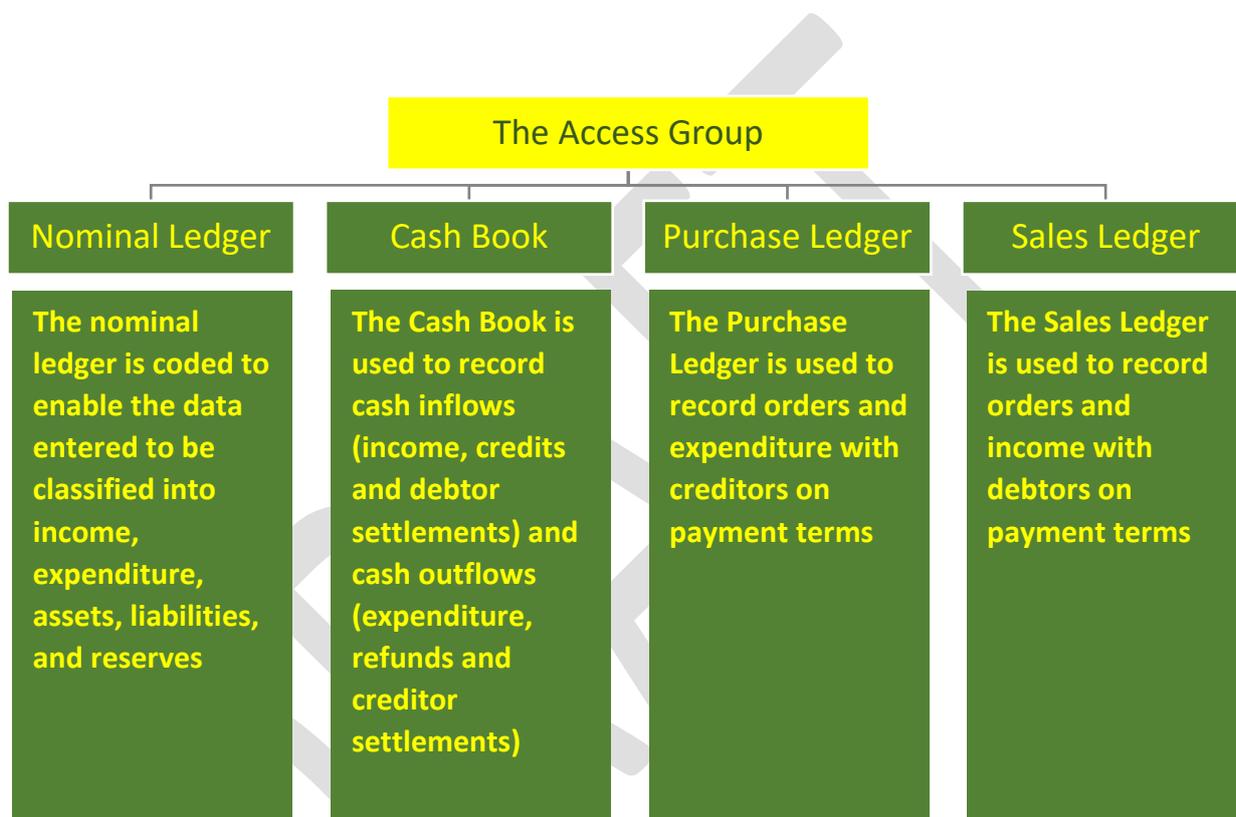
Any member of staff asked to give an indemnity, for whatever purpose, should consult the Interim Chief Operating Officer before any such indemnity is given.

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## 23 RECORDING FINANCIAL TRANSACTIONS

Our Lady and All Saints Catholic Multi Academy Company and its Schools use the Access Group to record all financial transactions that support the operation of the Schools and MAC. The Access Group, like all accounting software packages, utilises the basic double entry bookkeeping principle and underpins the financial management system.

All transactions within the accounting system operate on a system of double entry to a nominal ledger. For every credit there is a debit and each transaction will post to two or more nominal ledger codes. The Access Group is summarised by the following:



### **23.1 System Access**

Access and entry to the Access Group system is restricted for use by specific users and individual passwords, with a mandatory password change required every 3 months. In the event a user is unable to remember their password, a password reset option is available to the system administrator; this is usually the Interim Chief Operating Officer.

Access to the component parts of the Access Group system can also be restricted and the Interim Chief Operating Officer is responsible for setting access levels for all members of staff using the system.

### **23.2 Authorisation**

Users are recommended by senior leaders within the MAC and access is generally requested to the Access Group purchasing system. This allows users to place orders and confirm delivery of goods and/or services.

### **23.3 Core System**

The bookkeeping component of the Access Group is contained within the core system. This is a separate program and is accessed by individual users and passwords different to the purchasing module. It is in this part of the Access Group that the financial data is stored and where payments can be made. Users are solely approved by the Interim Chief Operating Officer.

### **23.4 Receipts**

Receipts into the bank represent income, refunded payments from suppliers against credit notes and settlement by debtors. Receipts made to an academy will be in the form of electronic payments, cheques or cash. The majority of receipts will be from Pupils for trips and other school activities. Efforts must be made to encourage families to use electronic methods of payment via Parentpay.

Receipts of cash and cheques must be taken to the bank as soon as is reasonably practicable, either by a nominated staff courier or the contracted courier.

### **23.5 Payments**

Payments from the bank represent expenditure, refunded payments to customers against credit notes, refunds made to Pupils and settlement to creditors. Payments made by an school will be in the form of electronic payments, cheques or purchasing card.

Bankers' Automated Clearing Services (BACS) is the MAC's preferred method of payment and every effort should be made to obtain details to allow for BACS payments. Same day payments may be made in exceptional circumstances and with the approval of the Interim Chief Operating Officer.

Cheque payments must only be used where electronic methods are not possible and all reasonable steps have been taken to make electronic payments. All supporting

documentation, invoices and/or other correspondence must be submitted for inspection to signatories.

The purchasing card may be used in exceptional circumstances where electronic forms or cheques are not possible and in accordance with the MAC Procurement Card Protocol.

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