

Finance Policies and Procedures

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Roles and Responsibilities

Board of Trustees

The Board of Trustees has overall responsibility for the administration of the academy's finances.

The main responsibilities of the Board of Trustees are prescribed in the Funding Agreement between the academy and the DfE and in the academy's scheme of government. The main responsibilities include:

- ensuring that grant from the DfE is used only for the purposes intended;
- approval of the annual budget;
- appointment of the Principal and
- appointment of the Finance Manager, in conjunction with the Principal.

Finance and Environment Committee

The Finance & Environment Committee is a committee of the Board of Trustees. The committee meets at least once a term but more frequent meetings can be arranged if necessary.

The main responsibilities of the committee are detailed in written terms of reference which have been authorised by the Board of Trustees. The main responsibilities include:

- the initial review and authorisation of the annual budget;
- the regular monitoring of actual expenditure and income against budget;
- ensuring the annual accounts are produced in accordance with the requirements of the Companies Act 1985 and the DfE guidance issued to academies;
- authorising the award of contracts over £50,000 and
- reviewing the reports of the Responsible Officer on the effectiveness of the financial procedures and controls. These reports must also be reported to the Board of Trustees.

Principal

Within the framework of the academy development plan as approved by the Board of Trustees the Principal has overall executive responsibility for the academy's activities including financial activities. Much of the financial responsibility has been delegated to the Finance Manager but the Principal still retains responsibility for:

- approving new staff appointments within the authorised establishment, except for any senior staff posts which the governing body have agreed should be approved by them;
- authorising contracts between £1,000 and £50,000 in conjunction with the Finance Manager and
- authorising orders / payments as detailed within the agreed scheme of delegation

Finance Manager

The Finance Manager works in close collaboration with the Principal through whom they are responsible to the trustees. The Finance Manager also has direct access to the trustees via the Finance & Environment Committee. The main responsibilities of the Finance Manager are:

- the establishment and operation of a suitable accounting system;
- the management of the academy financial position at a strategic and operational level within the framework for financial control determined by the Board of Trustees;
- implementation and operation of rigorous and robust audits and control;
- ensuring that the annual accounts are properly presented and adequately supported by the underlying books and records of the academy;
- the preparation of monthly and annual management accounts
- authorising orders / payments as detailed within the agreed scheme of delegation
- ensuring forms and returns are sent to the DFE in line with the timetable in the DFE guidance
- the day-to-day management of financial issues;
- ensure finance and payroll systems are effectively managed;
- writing bids for funding and development;
- the maintenance of effective internal controls;
- to manage the tendering of all service contracts
- monitoring all insurance policies.

Budget Holders

Budget Holders include all members of staff who have delegated control over a subsection of the agreed budget. This includes, but is not necessarily limited to, curriculum department leaders, the senior site manager and senior leadership members.

Budget Holders have the responsibility for initially authorising orders / payments as detailed within the agreed scheme of delegation.

Other Staff

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

Staff may also raise requests for orders via the school's accounting system.



Scheme of Delegation

Orders

All order requests must be first authorised by the relevant budget holder. They will then pass for further approval dependent on the value/nature of the request.

Orders less than £250 and within agreed budgets are to be authorised by the Finance Assistant, Finance Manager or Assistant Principal.

Orders above £250 and within agreed budgets are to be authorised by the Finance Manager, Assistant Principal or Principal.

Any orders above budget (overspend) are to be authorised by the Finance Manager, Assistant Principal or Principal. Orders that relate to a specific Trustee approved project or are to be fully funded from reserves must gain authorisation from the Finance and Environment Committee of Trustees.

Any orders above £10k, regardless of budget, will require a minimum of 3 quotes to be obtained where possible. Orders less than £10k may require quotes dependent on their nature.

Invoices

Invoices which reconcile to the purchase order are automatically approved for payment as soon as the originator of the order confirms receipt of the goods.

Where an invoice does not relate to a purchase order this must receive further authorisation from the Finance Manager, Principal or Assistant Principal.

Invoices which differ from their associated purchase order by more than £25 require authorisation from the Principal.



Ordering / Invoice Process

All orders should be requested using the Corero system and approved by the relevant budget holder and other required approver(s) as detailed in the scheme of delegation.

For orders above £10k a register of quotes is held by the Finance Department. For those orders where a three quote process is not suitable, such as contractual payments, sufficient evidence should be retained to demonstrate value for money has been sought.

For staff expense claims, including mileage, a fully authorised claims form is required to be submitted to the Finance Department alongside all receipts in order for reimbursement to be processed.

Full details on this process can be found in the separate Finance Manual.

Payments

There are a number of payment options available to the school:

- BACs
- Faster Payments
- Cheque
- Debit Card
- Petty Cash

The default method of payment is BACs. This is done through Lloyds Commercial Banking Online (CBO) – a secure online banking facility.

Access to CBO is limited to:

Finance Manager and Finance Assistant as Administrators

Finance Assistants with input and transfer rights only

Principal and Assistant Principal with approver rights only

BACs files are generated from the Corero system, based on fully approved invoices only, and loaded into CBO by the Finance Assistant. These files then require two authorisations before payment from the Finance Manager, Principal or Assistant Principal.

Other payments may be utilised if appropriate at the discretion of the Finance Manager.

Faster Payments

An additional feature within CBO for urgent payments. Approvals follow the same criteria as BACs payments detailed above.

Cheque Payments

Predominantly used for charity fundraising cheques may be utilised as a means of payment where appropriate and require any one signatory for values less than £250 and any two signatories otherwise from Finance Manager, Principal and Assistant Principal.

Debit Card

Debit Card spend including PayPal orders must be fully approved in advance and follow the Debit Card procedures in the relevant section of these policies.

Petty Cash

A nominal petty cash balance is held by the Finance Department and can be used as an option to pay small, one-off incidental expenses to staff and/or students.



Income

The main sources of income for the academy are grants from the EFA and local authorities. The receipt of these sums is monitored directly by the Finance Manager who is responsible for ensuring that all grants due to the academy are collected.

The academy also obtains income from:

- students, mainly for trips
- the public, mainly for sports lettings.

Separate policies exist for both trips and lettings and should be referred to for completeness.

Income from students is generally obtained via the ParentPay system which is managed by the Finance Department. Monthly reconciliations are performed between the various systems and bank accounts to ensure all income has been accurately and appropriately recognised.

Income, particularly for lettings, will often be collected following the issuing of an invoice. Invoices are produced using the Corero system and copies of all invoices issued are retained within the school as a record.

The receipt of payments is also recorded on the Corero system.

Full details on this process can be found in the separate Finance Manual.

Tendering

All goods/services ordered with a total contract value over £111,676 (threshold from 01/01/16) fall under EU procurement rules which require a full tender process including advertising in the Official Journal of the European Union. All such tender processes should be authorised and closely monitored by the Board of Trustees.

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

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

In preparing a tender full consideration should be given to:

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

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

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

An invitation to tender should include the following:

- introduction/background to the project;

- scope and objectives of the project;
- technical requirements;
- implementation of the project;
- terms and conditions of tender and
- form of response.

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

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

- For contracts up to £25,000 - two of the Finance Manager, Chair of Governors, Chair of Finance and Environment Committee of Trustees or the Principal;
- For contracts over £25,000 - the Finance Manager and/or the Principal plus at least one member of the Board of Trustees.

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

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

Full records should be kept of all criteria used for evaluation and for contracts over £25,000 a report should be prepared for the Finance and Environment Committee highlighting the relevant issues and recommending a decision. For contracts under £25,000 the decision and criteria should be reported to the Finance and Environment Committee.

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



Fixed Assets

PURPOSE:

The Academy invests a significant amount of capital in the acquisition of Fixed Assets. Therefore, controls are put in place to ensure that fixed assets are recorded correctly and safeguarded against loss and theft.

SCOPE:

The Finance Manager is responsible for ensuring compliance with the school's procedures. This procedure applies to all school staff. These standards apply to all Fixed Assets transactions.

PROCEDURE:

1. PURCHASE OF ASSETS

- All capital fixed assets purchased with an individual value of over £2,500 must be entered into the asset register on the finance system.
- Approval for purchase of assets must follow the school's purchasing policies.
- The asset register will include the source of funds for the asset.

Portable and attractive items or non-consumable items valued at under £2,500 but which are susceptible to theft or loss due to their portable nature and attractiveness for personal use or resale may also be recorded in the school's asset register. Items valued at under £200 purchase price do not require tracking.

2. GIFTS OF ASSETS

- All fixed assets given to the school are recorded in the accounts as income in the period in which the fixed asset was given to the school. The value placed on gifts in kind should be either a reasonable estimate of their gross value to the school or the amount actually realised. The key test is what the school would have been prepared to pay to purchase the asset.
- Gifted assets are treated and recorded in the asset register in the same way as purchased assets.

3. SECURITY OF ASSETS

- All fixed assets recorded in the register should be permanently marked, wherever practical, as being the property of the school.
- The asset register is to be kept up to date and reviewed regularly.
- Items used by the school but not owned by the school should be recorded as such.
- Physical counts against the register are undertaken at least annually. This count is to be performed by someone other than the person responsible for the asset register.

Differences between counts and the register are investigated promptly and significant differences are reported to the Governors.

- Stores and equipment are secured by means of physical and other security devices.
- Only authorised personnel may access secure storage areas.

4. DEPRECIATION OF ASSETS

Depreciation is provided on a straight line basis on the cost of tangible fixed assets, to write them down to their estimated residual values over their expected useful lives. No depreciation is provided on leasehold land where the lease is more than 20 years. The principal annual rates used for other assets are:

Leasehold property	50 years
Leasehold property improvements	25 years
Computer equipment	3 years
Other equipment	5 years
Motor vehicles	8 years

5. DISPOSAL OF ASSETS

- All requests for disposal must be approved by the Finance Manager and reported to Governors.
- The best possible value must be obtained in the disposal of assets.
- The Secretary of State's consent is obtained before the disposal of any asset for which grant of over £20,000 was made, or where land or buildings has been transferred from the LA at no cost to the school.
- If within any one fiscal year (Sept-Aug) the school disposes of items which collectively originally attracted grant of more than £20,000 then the DfE should be informed.
- Disposal authorisation should include justification that the asset has become obsolete to the school. Assets judged to be obsolete should be destroyed or sold for maximum value.
- Funds gained as proceeds from the sale of fixed assets should be maximized. If the sale proceeds are not reinvested, the school must repay to the Secretary of State the same proportion of the proceeds as equates to the proportion paid for the acquisition of the fixed asset. The proceeds from the sale of the assets acquired with grant from the Secretary of State cannot be used as the school's contribution to further grant aided projects or purchases.
- Disposal of assets to staff is not encouraged.
- Disposal of land must be agreed in advance with the Secretary of State.

6. LOAN OF ASSETS

- School property must not be removed from Academy premises without the authority of the Curriculum Leader or a member of the Leadership Team. A record of the loan must be recorded in a loan book and booked back to the Academy when it is returned.
- If assets are on loan for extended period or to single member of staff on a regular basis, the situation may give rise to a benefit-in-kind for taxation purposes. Loans should therefore be kept under review and any potential benefits discussed with the school's auditors. IT equipment, such as laptops, which are loaned to staff should only be used for work related purposes to avoid such an issue arising.



VAT

Heart of England School is currently not registered for VAT and as such continues to reclaim VAT on eligible purchases via monthly VAT126 forms.

The VAT status of the school will be reviewed at least annually and in the event of any relevant legislative changes.

Reserves

PURPOSE

The purpose of the reserve policy for Heart of England School is to ensure the stability of the school's organisational operations, to protect it so that it has the ability to adjust quickly to financial circumstances, such as large unbudgeted expenditure and to provide the financial means to continue to enhance the educational facilities and services of the school.

DEFINITIONS AND GOALS

Restricted Reserves

Restricted reserves are represented by the main income for the school which is General Annual Grant (GAG), other grant contributions (for example Pupil Premium, Bursary funds), or donations that are received for a specific project or purpose. These funds are restricted for the use according to the funding agreements or donors instructions. They must be spent in accordance with the timeframe advised by the "issuing authority".

The School's Funding Agreement in respect of GAG no longer stipulates any limit on carry forward balances.

The minimum target for these reserves should be equal to one month's average operational costs such as salaries and pensions, occupancy costs and external services costs. The Board of Trustees will review the reserve levels annually. The review will encompass the nature of the income and expenditure streams, the need to match income with commitments and the nature of reserves. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. At present, the school has negative restricted reserves, a recovery plan is in place to see this position redressed over time in line with the target detailed above.

Unrestricted ("Usable") Reserves

These are made up of the Academy's activities for generating funds e.g. the provision of in School Catering, investment income and other donations which are expendable at the discretion of the trustees in furtherance to achieve the objectives of the School.

The School is confident that it will meet the required pension contributions from its projected income without significantly impacting on its planned level of charitable activity, it continues to calculate its 'free' or general unrestricted reserves without setting aside designated reserves to cover the pension liability.

These funds will be reviewed regularly by the Board of Trustees and Finance and Environment Committee and are obtained through one off donations and are generally built up over time from fund generating activities and investments.

Designated Reserves

These are reserves that have been allocated by the Trustees for a particular purpose.

USE OF RESERVES

1. Identification of appropriate use of reserve funds

The Trustees and staff will identify the need for access to reserve funds and confirm that the use is consistent with the purpose of the reserve as described in this policy. This step requires analysis of the reason for any shortfall, the availability of any other sources of funds before using reserves and evaluation of the time period that the funds will be required and replenished.

2. Authorisation of use of reserves

Designated Reserves are to be used as per their agreed purpose with expenditure within agreed limits following the standard school expenditure authorisation processes.

Unrestricted Reserves may be allocated (i.e. become designated reserves) to a specific project or purpose with approval of the Finance and Environment Committee.

Restricted Reserves should not be used (other than to cover annual budget deficits) without approval of the Board of Trustees, who may wish to allocate a specific sum to designated reserves following robust analysis of any proposal. Where this allocation reduces restricted reserves to below the target level then consideration must be given to re-establishing this level as soon as practical.

3. Reporting and monitoring

The Trustees are responsible for ensuring that the funds are maintained and used only as described in this policy. Upon approval for the use of these funds, the School will maintain a record of the use of the funds. The Finance and Environment Committee should regularly monitor the progress of the reserves.

Investments

PURPOSE

The purpose of the investment policy for Heart of England School is to ensure investments are obtained at a minimum risk of financial loss whilst generating accredited wealth through its distribution (i.e. Interest, Royalties, dividends or rentals)

DEFINITIONS AND GOALS Current Asset Investments

These are investments generally held by the school which allow funds to be ready realisable and only intended to be held for not more than one year.

Examples are bank deposit accounts and bond accounts.

Heart of England School investments are currently held almost entirely of cash deposits/bonds at its banks.

The maximum level of funds available for investments should be the amount of funds received not imposed by any restrictions i.e. Unrestricted.

USE OF INVESTMENTS

1. Identification of appropriate investment

The Trustees and Finance and Environment Committee will identify the need for investments and confirm that it is for the purpose described in this policy. This step requires analysis of the funds availability and accessibility not to impact on the day to day operations.

2. Authorisation of investment

Authorisation to agree to the investment of any kind will be made by the Trustees and Finance and Environment Committee, at the next available meeting the approval will be noted in the minutes. At this meeting it should be accompanied by description of the investment, the level of funds and the accountability of the investment, as well as, the risks involved.

3. Reporting and monitoring

The Trustees are responsible for ensuring that the investments are only as described in this policy. Once approved, the Finance and Environment Committee should monitor the progress of the investments.

Debit Card

The School operates a debit card facility to enable:

- Purchases to be made over the internet where the terms and conditions may be advantageous or the supplier only operates through the internet and value for money is demonstrated
- Emergency payments to be made as part of the business continuity plan

The debit card is NOT provided to enable extra-curricular non budgeted activities to be funded for either students or staff during any educational or non-educational visit or at any other time. Such additional usage would be classified as a disciplinary offence that would be dealt with in accordance with the School policy on such matters.

Allocation of Debit Cards

Debit cards are issued on the authorisation of any two of the Principal and the Finance Manager or Chair of Finance and Environment Committee and only in support of the above objectives. The Debit Card will remain the property of the School.

Two debit cards are currently in existence. They are held by:

-
- Personal Assistant to the Principal
- Finance Assistant

Responsibilities of debit card holder

The nominated staff member is responsible for the proper use, care and security of the School debit card and must ensure:

- Its use is confined to the circumstances detailed above
- It is retained securely on school premises when not required for off site purchases such as train tickets and currency for trips
- It is used by staff only in the Finance Office and where relevant under the supervision of the card holder
- Payment is made only after the purchase has been fully authorised following standard purchasing procedures

If the Staff member finds the card missing or stolen at any time they must report it immediately to the Finance Manager and/or the Principal. The Finance Manager will ensure Lloyds Bank is contacted and the card cancelled as soon as its loss is reported.

Responsibilities of the Finance Department

The requirement for the school to pay only certified accounts will be considered satisfied by the use of debit cards provided the following conditions are met:

1. The debit card holder has completed the Lloyds Bank Debit card form and it has been authorised by any two of the Principal, Vice Principal and the Finance Manager
2. The debit card bank account is reconciled monthly by the Finance Assistant and authorised as such by the Finance Manager or Principal / Vice Principal
3. The purchases made by the debit card have been “ordered” and therefore authorised through the Schools Accounting system prior to purchase. Where exceptional circumstances dictate, within School operation the prior authorisation through Corero may be waived provided verbally authorised by the Principal or Finance Manager.
4. The fund balance of the debit card bank account will be managed by the Finance Assistant in conjunction with the Finance Manager or Principal.

Payroll

The main elements of the payroll system are:

- staff appointments;
- payroll administration
- payments.

Staff Appointments

The Board of Trustees has approved a personnel establishment for the academy. Changes can only be made to this establishment with the express approval in the first instance of the Finance and Environment Committee who must ensure that adequate budgetary provision exists for any establishment changes.

The Principal has authority to appoint staff within the authorised establishment except for Vice Principals and the Finance Manager whose appointments must follow consultation with the Trustees. The Principal maintains personnel files for all members of staff which include contracts of employment.

On appointment a new staff file is collated on behalf of the Principal by the Principal's PA and submitted to the payroll provider.

Payroll Administration

The academy payroll is administered through the Academy's payroll provider, Solihull MBC, under a Service Level Agreement. This agreement is reviewed annually to ensure best value.

Changes to personnel details, including contractual details, are made using the payroll provider's online solution and records of all such amendments retained by the school.

Sickness absence, extra duties and timesheet related payments are all collated by the Principal's PA and submitted to the payroll provider on a monthly basis, after authorisation from the Principal.

Payments

All salary payments are made monthly by BACS via the payroll provider who is also responsible for making payments to relevant third party organisations such as HMRC and Pension Funds.

Before payments are made a payroll file is provided to Finance Manager and/or Principal's PA who should perform appropriate checks on the validity of the payroll proposed. Authority to release payment will be made by the Finance Manager and/or the Principal.

The Finance Manager or Principal's PA should prepare a reconciliation between the current month's and the previous month's gross salary payments and against budgets, showing adjustments made

for new appointments, resignations, pay increases etc. This reconciliation should be reviewed and signed by Principal.

The payroll system automatically calculates the deductions due from payroll to comply with current legislation. The major deductions are for tax, National Insurance contributions and pensions. The amounts payable are summarised on the gross to net pay print and payments for these are made by the payroll provider on behalf of the school.

After the payroll has been processed the accounting system nominal ledger must be updated by the Finance Manager. Postings will be made both to the payroll control account and to individual cost centres. The Finance Manager should review the payroll control account each month to ensure the correct amount has been posted from the payroll system, individual cost centres have been correctly updated and to identify any amounts posted to the suspense account.

On an annual basis the Finance Manager must check for each member of staff that the gross pay per the payroll system agrees to the contract of employment held on the personnel file in the Principal's office.

Pensions

The Academy's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for all teaching staff and the Local Government Pension Scheme (LGPS) for non-teaching staff which is managed by West Midlands Pension Fund.

TPS

The Teachers' Pension Scheme is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Regulations (2014). Membership is automatic for all teachers although they have the option to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions along with those made by the employer are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

LGPS

The LGPS is a funded defined benefit scheme with the assets held in separate trustee administered funds.

As a funded scheme the actuarial gains and losses along with the Academy's share of the assets and liabilities in the scheme are identified and recognised in the Academy's statements of financial activities.

Under the Local Government Pension Scheme Regulations, each scheme Employer must publish and keep under review a Statement of Policy to explain how it will apply certain discretions allowed under the Pension Regulations.

Discretions to be applied under the LGPS Regulations 2013 and LGPS (Transitional Provisions and Savings Regulations 2014).

REGULATION 16(2)e and REGULATION 16(4)d

Explanation

Where an active scheme member wishes to purchase extra annual pension of up to £6,500 (figure as at 1st April 2014) by making Additional Pension Contributions (APCs), the Employer can choose to contribute towards the cost of purchasing that extra pension via a Shared Cost Additional Pension Contribution (SCAPC). Policy

Heart of England School has not introduced a Shared Cost Additional Pension Contribution (SCAPC).

REGULATION 30(6) and TP11(2)

Explanation

A member who is aged 55 or over and, with their Employer's consent, reduces their hours and/or grade, can then, but only with the agreement of the Employer, make an election to the

administering authority for all or part payment of their accrued benefits without having retired from that employment.

If payment of benefits occurs before age 65, the benefits are actuarially reduced in accordance with guidance issued by the government actuary.

The Employer may choose to waive the reduction in whole or in part. If the Employer chooses to do so, then the cost of waiving the reduction in whole or in part has to be paid to the fund.

Policy

Each specific case will be judged on its own merits, having fully considered service delivery and financial costs.

This discretion will be exercised by the Principal within his/her delegated authority or, if appropriate, the School's Pay Committee.

REGULATION 30(8)

Explanation

The Employer has discretion to waive any actuarial reductions that would otherwise apply under Regulation 30(5) and Regulation 30(6) for active members, deferred members and suspended tier 3 ill-health pensioners who elect to receive early payment of benefits prior to normal pension age.

Policy

Each specific request will be assessed on its own merits. Where the School determines that the benefits should not be reduced the cost would need to be funded by a lump-sum contribution into the pension fund. This discretion will only be exercised in cases where it can be demonstrated that the School can fund the cost of release within a three year period.

This discretion will be exercised by the Principal within his/her delegated authority or if appropriate the School's Pay Committee.

TP REGULATION 1(1)(c) of SCHEDULE 2

Explanation

The Employer has discretion to apply the 85 year rule protection to members who choose to voluntarily draw their benefits on or after age 55 and before age 60, (under paragraph 1(1)(c) or Schedule 2 to the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014.

Policy

The School has not approved "switching on" of the 85 year rule.

Waiving of actuarial reductions will only be considered where there is a clear financial or operational advantage to the School.

This discretion is exercised by the Principal within his/her delegated authority or, if appropriate, the School's Pay Committee.

REGULATION 31

Explanation

The Employer has discretion to grant extra annual pension of up to £6,500 to an active scheme member or within 6 months of leaving to a member whose employment was terminated on the grounds of redundancy or business efficiency.

Policy

The School will judge each case on its merits, having fully considered service delivery and financial costs.

This discretion is exercised by the School's Pay Committee.

Discretions to be applied under the local government (early termination of employment) (discretionary compensation) (England and Wales) regulations 2008

REGULATION 5

Explanation

Employers have the discretion to use actual weekly pay, if this is greater than the statutory maximum weekly pay, contained within the Employment Rights Act 1996 (as amended) when calculating a redundancy payment.

Policy

The School will use actual weekly pay, if this is greater than the maximum stated in the act, for the purposes of calculating a redundancy payment.

REGULATION 6

Explanation

Employers have the discretion to pay compensation up to a maximum of 104 weeks pay to an employee who ceases to be employed by reason of redundancy. This applies only where the school has not awarded an increase in total pension membership under regulation 12(b) of the Local Government Pension Scheme Regulations 1997 (as amended). Where a redundancy payment under the Employment Rights Act 1996 (as amended) (ERA), is also made then the equivalent to it shall be deducted from the compensation.

Policy

The School will pay compensation at a level of 2 times the number of weeks' redundancy as calculated using the Statutory Redundancy Payments ready reckoner (occurring on or after 1 October 2006) up to a maximum of 60 weeks.

Where a redundancy payment is also made under the ERA then the equivalent to it shall be deducted from the above compensation.

OCCUPATIONAL PENSIONS SCHEMES (INTERNAL DISPUTE RESOLUTION PROCEDURES REGULATIONS 1996 (AS AMENDED))

Explanation

Responsibility for determinations of complaints regarding awards made under the Local Government Early Termination of Employment) (Discretionary Compensation) England and Wales) Regulations 2008 (as amended) now rest with the Academy. In the first instance any member with such a complaint should write to the "stage 1" person, if they are still dissatisfied with that decision they may write to the "stage 2" person.

Name of Employer: Heart of England School.

The "stage 1 person" is: Mrs Dianne Rubidge

Heart of England School
Gipsy Lane
Balsall Common, Coventry CV7 7FW

The "stage 2 person" is: Ms Jacqueline Hughes-Williams
Principal
Heart of England School
Gipsy Lane
Balsall Common, Coventry CV7 7FW

Discretions to be applied under the lgps (benefits, membership and contributions) regulations 2007 (as amended)

REGULATION 30A(3)

Explanation

For a member on a suspended tier 3 Ill Health pension on or after age 55 and before age 60 (under regulation 30 A (3) of the LGPS Benefits, Membership and Contributions) Regulations 2007) an application for reinstatement will be granted.

Policy

Each specific case will be judged equally and fairly on its own merits.

REGULATION 12 BReg

Explanation

An Employer may agree to increase the total membership of an active member.

A member's total additional membership, including additional membership in respect of different employment, must not exceed 10 years.

Policy

Each specific case will be judged on its own merits, having fully considered service delivery and financial costs. The Pay Committee will exercise this discretion.

The School is not obliged by the regulations to publish a statement on the following discretions, but has chosen to do so.

REGULATION 3 BReg

Explanation

Employers will determine the contribution rate payable based on whole-time pensionable pay for existing members at 1 April each year or at the commencement of employment.

Where there has been a material change to a member's pensionable pay in the course of the financial year, his employing authority may re-determine the contribution rate to be applied.

Policy

The School will not amend the contribution band in the course of a financial year should there be a material change to a member's pensionable pay.

REGULATION 16 AReg

Explanation

Where a deferred member becomes an active member again before becoming entitled to the immediate payment of retirement benefits in respect of his/her former membership, he/she may elect to have his/her former membership aggregated with his/her current active membership. An election must be made in writing to the member's appropriate administering authority before the expiry of the period of 12 months, beginning with the date that he/she again became an active member (or any such longer period as his/her Employer may allow).

Policy

The School will only extend the period of 12 months in exceptional circumstances or where it was beyond the member's control.

REGULATION 22 AReg

Explanation

Employing Authorities have the Discretion to extend the period beyond 30 days for a person to make contributions.

Policy

The School will extend the period of 30 days in circumstances beyond the member's control or in exceptional circumstances. Such requests must be made in writing by the member.

REGULATION 83 AReg

Explanation

A person who becomes an active member (of the LGPS) who has relevant pension rights with a previous Employer, may request his/her fund authority to accept a transfer value for some or all of his/her former rights. An election must be made in writing before the expiry of the period of 12 months, beginning with the date that he/she became an active member (or any such longer period as his/her Employer may allow).

Policy

The School will extend the period of 12 months only in exceptional circumstances or where it was beyond the member's control.

From 1 June 2004, an amended Internal Dispute Resolution Procedure applies to active members of the LGPS and to others such as deferred and pensioner members, whose position may be affected by the decisions taken by their former Employer or LGPS administering authority

REGULATION 57 AReg

Explanation

Responsibility for determinations under the first stage of the procedure now rests with a "specified person" appointed by the Academy.

Name of Scheme Employer: Heart of England School.
The named person is: Mrs Dianne Rubidge
Heart of England School
Gipsy Lane
Balsall Common, Coventry
West Midlands CV7 7FW

Charging and Remission

As required by the 1988 Education Reform Act the school's charging policy must set out the provision and classes or descriptions of cases in which charges are to be made. The remissions policy must make clear the circumstances in which charges will be remitted in whole or part.

The statutory minimum is that the policy must provide complete remission of board and lodging charges to pupils whose parents receive either Income Support or Family Credit if the activity occurs during school hours or in certain circumstances out of school hours.

Charges will be made for:

- Materials or ingredients where parents have indicated in advance a wish to own the finished product.
- Entry for any public examination for which the student has not been prepared by the school but which the school has agreed to the student entering.
- Entry for any public examination for which a student has without good reason failed to complete the requirements eg non completion of coursework or non attendance at the examination. The full cost will be requested from parents.
- Transport from a student's home to any activity off the school premises which is not provided by the school, eg work experience. Parents will be asked to pay directly for any such transport.
- Board and lodging for **all** residential visits. Visits deemed to be mainly in school hours are subject to the Governing Body's remission statement. The charges will not exceed the actual cost for these elements of the visit.
- All costs for residential visits or other optional activities which are deemed to take place out of school hours and which are not required for public examination syllabus or for the provision of the National Curriculum or statutory Religion Education. Charges will not exceed the actual cost for these elements of the visit.
- Music tuition in or outside of school hours whether or not it is required for public examination purposes or for the National Curriculum. Students who would otherwise be prevented from participating in courses leading to public examinations or where there is temporary hardship will be reviewed by Governors. Charging policy for music tuition is to be reviewed by Governors each term.
- Reparation to or replacement of school property if damage is caused by the actions of a student.

Voluntary contributions may be sought from parents for any school activity during or outside school hours, residential or non residential.

- It will be clearly stated that there is no obligation to contribute.
- All students will be considered equally irrespective of the level of contribution made.

- A clear statement will be made to parents from the outset if an overall lack of support may lead to cancellation of the activity.
- The voluntary provision of specific items or materials for use in school may be also requested but no child will be disadvantaged because of a lack of contribution.

Remissions

The Board of Trustees will remit charges in line with the level specified in the 1988 Education Reform Act.

Students whose parents are in receipt of income support or Family Credit will be eligible for remission of board and lodging charges made as part of residential visits deemed to be in school hours or essential to either an examination syllabus or the National Curriculum.

In other cases of financial difficulty or hardship, parent representations may be made in line with the School's Hardship Policy.

The Board of Trustees does not propose to remit or subsidise any charge made by the Local Authority under its charging policy.

Gifts and Hospitality

The principle of integrity requires that Academy staff should not place themselves under an obligation that might influence, or be perceived to influence, the conduct of their duties. This means that the receipt of hospitality and gifts must be subject to clear restrictions and that any that are accepted must be declared and recorded.

This policy takes into consideration the requirements under the UK Bribery Act 2010, which came into effect 1 July 2011. The Ministry of Justice has published guidance which provides the basis for inclusion in this policy. This guidance is under section 9 of the Act.

The Clerk to the Board of Trustees is responsible for ensuring compliance with the Gifts and Hospitality Policy.

Responsibilities of all Staff

Gifts

- Unless there is a conflict of interest, under normal circumstances it will not be necessary for school based staff to declare those gifts received from pupils except where the individual value is over £25. Gifts received on a regular basis or over the value of £25 should be declared on the Code of Conduct Policy form Appendix 1 and the form provided to your Principal within 28 days of receipt of the gift. The value of multiple gifts, where the individual items when aggregated could be considered to have a value excess of £25 but are not so at the time of the original sole gift, should also be disclosed. This latter circumstance may prevail where gifts are received on more than one occasion in the same academic year, for example at Christmas and at the end of term.
- Gifts which are intended for the Academy as an academic body can be accepted but must not be retained by the individual who receives them. Such gifts should be acknowledged by the Principal or appropriate member of the Leadership team and included within the website sponsors and donors page. The items should be sited in a location most appropriate according to the specification of the item.
- Personal gifts may not be solicited under any circumstances.
- When you have to decline a gift, you should be courteous but firm, and draw the attention of the person making the offer to the existence of this policy and the UK Bribery Act 2010.
- Gifts are sometimes offered by suppliers with the purchase of items. All special offer gifts are the property of the Academy and must be utilised by the appropriate department. If you are in doubt who that might be you must discuss it with your line manager.

Hospitality

- You should never accept lavish hospitality that could be interpreted as a way of exerting an improper influence over the way you carry out your duties. Nor should you offer such hospitality to others on behalf of the Academy. The timing of hospitality in relation to procurement or purchasing decision that the Academy may be taking is especially sensitive.

You should never solicit hospitality. As a general rule, you should not accept hospitality that the Academy would not reciprocate in similar circumstances.

- If necessary, you should pay your share of any costs and claim these in the usual way.
- When you have to decline hospitality, you should be courteous but firm, and draw the attention of the person making the offer to the existence of this policy and the UK Bribery Act 2010.
- You may accept modest working meals and light refreshments without making any declaration. All other hospitality must be recorded in the Academy's gifts and hospitality register which is maintained by the Clerk. The detail required will include the nature of the hospitality, the approximate value, the date, the provider and the relationship of the latter to the school.
- Other hospitality may be accepted where:
 - You are representing the Academy in the community or are imparting information about the Academy to the public.
 - An event is clearly part of the life of the community or where the Academy should be seen to be represented.
 - The hospitality concerns attendance at a relevant conference or course where it is clear the hospitality is corporate rather than personal.
 - Where hospitality is to be provided by the Academy this should be approved in advance by a member of the Leadership team in writing. The Principal should review the hospitality in light of the UK Bribery Act 2010. Hospitality is not prohibited by the Act but should be considered in light of it.
- Any hospitality provided should not be extravagant.
- Claims for reimbursement of expenses should be made on the relevant Expenses Claim form and receipts should always be enclosed.

"PROVE IT" test

The PROVE IT test should be used to help determine whether an offer of a gift or hospitality is acceptable:

- o PURPOSE – Token, thanks or seeing a favour? (token or thanks = yes; favour = no)
- o RULES – What are they? Does this situation conform?
- o OPENNESS – Is the offer transparent?
- o VALUE – Expensive or inexpensive?
- o ETHICS – Does the offer fit with Academy's ethics?
- o IDENTITY – Who has made the offer?
- o TIMING – Are you about to make a decision affecting the giver?

UK BRIBERY ACT 2010

- It is an offence under Section 7, which can be committed by a commercial organisation which fails to prevent persons associated with them from bribing another person on their behalf.
- Facilitation Payments, payments to induce officials to perform routine functions they are otherwise obligated to perform, are bribery under the Act.
- Trustees and Senior Leadership do not tolerate Bribery in any form.
- Senior Leadership considers all organisations which the Academy does business with, in order to consider the risk.
- Senior Leadership considers all persons or organisations which act on behalf of the Academy or provide services for the Academy, in order to consider the risk.

- Actions of suppliers of goods do not create a risk for the Academy under the UK Bribery Act 2010.
- As risk of bribery can often be greater in overseas transactions, all overseas transactions must be approved in writing on the purchase order by the Director of Business Services, regardless of the value of the transaction.



Anti-Bribery

Definitions for bribery and corruption vary. Some common definitions are:

Bribery - “Inducement for an action which is illegal, unethical or a breach of trust. Inducements can take the form of gifts, loans, fees, rewards or other advantages”.

Corruption - This can be broadly defined as the offering or acceptance of inducements, gifts, favours, payment or benefit-in-kind which may influence the action of any person. Corruption does not always result in a loss. The corrupt person may not benefit directly from their deeds; however, they may be unreasonably using their position to give some advantage to another

All employees have a personal responsibility to protect Heart of England School from bribery or corruption.

Heart of England School is absolutely committed to maintaining an honest, open and well intentioned atmosphere within Heart of England School, so as to best fulfil the objectives of Heart of England School. It is, therefore, also committed to the elimination of bribery within Heart of England School, to the rigorous investigation of any such allegations and to taking appropriate action against wrong doers, including possible criminal prosecution.

Off-the-book accounts and false or deceptive booking entries are strictly prohibited. All gifts, payments or any other contribution made under the Anti-Bribery Policy and these guidelines, whether in cash or in kind, shall be documented, regularly reviewed, and properly accounted for in the books of Heart of England School. Record retention and archival policy must be consistent with Heart of England School’s accounting standards, tax and other applicable laws and regulations.

Heart of England School procures goods and services ethically and transparently with the quality, price and value for money determining the successful supplier / contractor, not by receiving (or offering) improper benefits. Heart of England School will not engage in any form of bribery, neither in the UK nor abroad. Heart of England School and all employees, independent of their grade and position, shall at all times comply with the Bribery Act 2010 and with this policy.

Heart of England School’s employees will not request or receive a bribe from anybody, nor imply that such an act might be considered. This means that you will not agree to receive or accept a financial or other advantage from a former, current or future client, business partner, contractor or supplier or any other person as an incentive or reward to perform improperly your function or activities.

Bribing anybody is absolutely prohibited. Heart of England School’s employees will not pay a bribe to anybody. This means that you will not offer, promise, reward in any way or give a financial or other advantage to any person in order to induce that person to perform his / her function or activities

improperly. It does not matter whether the other person is a UK or foreign public official, political candidate, party official, private individual, private or public sector employee or any other person (including creating the appearance of an effort to improperly influence another person).

All employees should be aware that bribery will normally, dependent upon the circumstances of the case, be regarded as gross misconduct thus warranting summary dismissal without previous warnings. However, no such action will be taken before a proper investigation and a disciplinary hearing have taken place. Such actions may be in addition to the possibility of criminal prosecution.

Heart of England School wishes to encourage anyone having reasonable suspicions of bribery to report them. Heart of England School's policy, which will be rigorously enforced, is that no individual will suffer any detrimental treatment as a result of reporting reasonably held suspicions. The Public Interest Disclosure Act 1998 came into force in July 1999 and gives statutory protection, within defined parameters, to staff that make disclosures about a range of subjects, including bribery and corruption, which they believe to be happening within the organisation employing them. Within this context, 'reasonably held' means suspicions other than those which are raised maliciously and are subsequently found to be groundless.

Any unfounded or malicious allegations will be subject to a full investigation and appropriate disciplinary action.

Heart of England School expects anyone having reasonable suspicions of bribery to report them to the Principal who will then ensure that procedures are followed. Concerns can also be raised through Heart of England School's Whistleblowing Policy.

Individuals (be they employees, agency staff, locums, contractors or suppliers) must not communicate with any member of the press, media or another third party about a suspected act of bribery as this may seriously damage the investigation and any subsequent actions to be taken. Anyone who wishes to raise such issues should discuss the matter with the Principal.