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1 DEFINITIONS, EXPLANATIONS AND EFFECTIVE DATE

The College shall mean The Richmond Adult and Community College hereinafter referred to as Richmond Adult Community College, a Corporation established under the Further and Higher Education Act 1992.

All references to **The Corporation** are to the members of the Corporation appointed under the Act. This is the body to which the Principal reports and which is responsible to the CE of Skill Funding for discharging the functions of the College. For the purpose of these regulations, the terms, The Corporation, The Board, The Governing Body shall have the same meaning.

The Vice Principal shall mean the Vice Principal Finance and Corporate Services

The College Accountant shall mean the next most senior accountant to the Vice Principal

The Principal shall mean the Principal and Chief Executive of the College who is the Accounting Officer and responsible for the activities of the College.

The Vice Principal shall deputise for the Principal in relation to these financial regulations in the event of the latter being absent, indisposed, or unable to act.

The Principal and Chief Executive, the Vice Principal (Finance & Corporate Services) and the Vice Principal (Curriculum & Quality) are senior postholders under the terms of the Articles of Government, but for the purpose of these Financial Regulations, the term shall be extended to include other members of the College’s Senior Management Team.

The Vice Principal shall have full delegated authority for the administration and application of these Financial Regulations and for ensuring there is compliance therewith.

The Head of Estates has specific responsibility under the regulations for issues relating to management of property and assets.

The Clerk shall mean the Clerk to the Governing Body.

The Finance Committee shall mean the Finance and Resources Committee of the Governing Body.

The CE of Skills Funding shall mean the Chief of Skills Funding.

Any Appendices included or referred to and which are submitted for the approval of the Finance Committee and subsequently the Corporation shall be regarded as being an integral part of these Financial Regulations.

These Financial Regulations shall be regarded as having become effective on 1st August 2011 and shall override and supersede earlier versions. They shall be subject to review and approval every year.

2 INTRODUCTION

These Financial Regulations provide a framework of accounting and financial controls within which staff of the College must operate to protect accountability of public funds and ensure that value for money is achieved. Failure to comply with these regulations may lead to the loss of public assets, significant delays in payments to institutions, employees and suppliers and additional work for colleagues. Additionally, failure to comply is a disciplinary offence and may be dealt with under the College's Disciplinary Procedures.

The Vice Principal or the Principal or both must be informed if there is any intention to waive or deviate from the provision of these regulations and if so be provided with sound reasons for such proposed action.

3 FINANCIAL RESPONSIBILITIES

The financial administration of the College shall be conducted by the Corporation in accordance with the Instrument and Articles of Government and subject to any financial conditions laid down by the CE of Skill Funding. The Principal has been formally designated as the Chief Accounting Officer of the College and as such is responsible for ensuring that the uses to which the College puts funds are consistent with the purposes for which the funds were given and comply with the conditions attached to them.

The Principal has overall responsibility for ensuring that annual estimates of income and expenditure are prepared by the Vice Principal for consideration by the Corporation and for the management of resources within estimates approved by the Corporation.

To assist with the discharge of responsibilities under these financial regulations, members of staff may be designated as budget holders. Budget holders shall control and monitor income and expenditure within the budgets allocated to them. Delegation to budget holders annually shall be in writing. Budget holders are responsible to the Principal for ensuring that the actions they take are in accordance with the Financial Regulations. Budget holders may not delegate their authority except during absences or sickness. The arrangements to cover such circumstances are subject to the approval of the Vice Principal. The format of the accounts should follow that laid down by the CE of Skill Funding where practicable or appropriate and should also follow current legislative requirements, best practice and accounting conventions.

The Vice Principal shall be responsible to the Principal for advising on the financial aspects of CE of Skill Funding policy and on the financial administration of the College and for ensuring that the College has satisfactory systems of financial controls and management. It is the duty of all managers and ultimately the Corporation to ensure that the College operates a robust system of controls and checks in financial matters.

The Vice Principal shall be responsible for preparing annual statements of account for the College in accordance with the requirements of the CE of Skill Funding.

The Vice Principal shall ensure that all financial returns (such as, but not exclusively, those to HMRC, Pension Funds and the CE of Skill Funding) are submitted on time, are complete and are accurate.

The College's accounts, financial records, operations and systems are subject to audit in accordance with best audit practice, the provisions of the Further and Higher Education Act 1992 and with the directives of the CE of Skill Funding.

4 THE BUDGET: REVENUE AND CAPITAL PROGRAMME

4.1 Revenue Budget Preparation

The Vice Principal shall prepare annual estimates of income and expenditure on behalf of the Principal. The annual estimates shall be considered in detail by the Finance Committee and shall be approved by the Corporation.

4.2 Capital Programme

The Vice Principal shall prepare the College's capital programme which shall include all items having a life expectancy of one year or more, costing individually or in aggregate £1,000 or more. This programme and the form it takes shall be approved by the Corporation.

4.3 Budget Approval

The Corporation may not delegate the approval of the annual estimates of income and expenditure. The Corporation must determine, by resolution, the approval of the annual budget prior to the commencement of the relevant financial period. If an update is required during the course of the financial period, it becomes effective from the date on which it is approved by the Governing Body.

4.4 Budget Authorisation

Once the Corporation has approved the annual estimates, the Principal shall be authorised to incur expenditure in accordance with these Financial Regulations. After approval, all allocations should be notified to budget holders in writing. Budget holders may not delegate their responsibilities, except in urgent cases of illness or absence when their line manager shall assume responsibility. The Vice Principal shall maintain a register of authorised budget holders together with specimen signatures.

4.5 Budget Monitoring

- 4.5.1 The Vice Principal shall be accountable to the Finance Committee and to the Corporation for effective budgetary control within the approved budgets.
- 4.5.2 The Principal shall be required to submit regular reports to the Finance Committee and to the Corporation outlining actual income/expenditure in comparison to estimate, to highlight and explain significant variances and to recommend for approval by the Corporation any corrective action.
- 4.5.3 Designated budget holders shall be responsible to the Principal for expenditure from the budgets delegated to them. They shall be responsible for the day to day monitoring of budgets and must ensure that:
- all expenditure and income against the budget is authorised and funds have been used only for the purpose for which they were allocated
 - adequate monitoring of expenditure and commitments takes place during the year
 - budget monitoring reports are prepared monthly (except August) for the whole College and real time reports are available to budget holders to view on line which show-actual spend against budget
- 4.5.4 The Vice Principal shall be notified immediately if it is foreseen that the budget is likely to be significantly overspent or if the budget is not likely to be fully spent.
- 4.5.5 Unauthorised use of budgetary resources is forbidden and is liable to disciplinary action.

4.6 Virement

- 4.6.1 Revenue allocations may not be used for capital expenditure purposes, nor capital allocations for revenue purposes without the prior approval of the Principal. If it is proposed to vire budget sums in excess of £50,000 between revenue and capital or vice versa, the prior approval of the Finance Committee must be sought.
- 4.6.2 Virement for revenue purposes shall not normally be permitted. However, budget holders may exercise virement between any of the main expenditure sub-totals (i.e. payroll, premises, supplies and services etc) subject to the following:
- Virements of less than £5,000 - with College Accountant approval
 - Virements in excess of £5,000 – with Vice Principal approval
 - No virement shall be permitted which will involve the College in additional expenditure in respect of a subsequent year without the prior approval of the Principal.
- 4.6.3 Virements of more than 10% of the overall budgeted expenditure for the College or £100,000 (whichever is the greater) shall require authorisation by the Chair of the Finance Committee. A report thereon shall be made to the Committee.

4.7 Carry-over of Balances

Budget holders shall not be permitted to carry over a revenue surplus or deficit at the year end into the following year.

4.8 Capital Budgets

All capital budgets involving a net cost to the College shall be subject to the prior approval of the Finance Committee. In the event of there being committee approved expenditure of £50,000 or more, the Committee shall state the accepted maximum variance after which re-approval or additional approval shall be sought. Such variance shall not normally exceed 15%. In the event of urgency and/or it not being feasible to call a special meeting, such authority may be sought in writing from the Chair of the Finance Committee, who shall consider the views of as many other members of the Committee as possible before granting approval. In the event of the Chair not being available, the Vice-Chair of Governors, if a member of the Committee shall be empowered; if not a member and/or if not available, such authority shall be exercised by the Chair of Governors. Any action taken shall be reported back to the next meeting of the Committee.

5 BANKING

5.1 General Arrangements

- 5.1.1 All arrangements with the College's bankers concerning the College's bank accounts, including the ordering, custody and issue of cheques shall be made by the Vice Principal on behalf of the Corporation. No new account may be opened or old accounts closed without the written approval of the Principal, acting on the authority of the Finance Committee.
- 5.1.2 Individuals must not use their private bank or building society accounts to hold any funds due to the College. The College shall not make use of any bank, building society or other account, which is not in the name of the College. No cheques or financial instruments made payable to the College shall be endorsed or credited to any other account.
- 5.1.3 An updated list of authorised signatories for cheques shall be prepared by the Vice Principal and approved by the Chair of the Finance Committee. Any change to the authorised signatories shall be approved by the Chair of the Finance Committee. All cheques must have two signatures. For sums of £10,000 or more, one of the signatories must be from the list set out below:
- Principal and Chief Executive
 - Vice Principals
- 5.1.4 Subject to the Finance Committee approval of a cashflow forecast, the Principal may authorise the borrowing of money for short term revenue purposes by having an overdraft facility of up to 3% of turnover. The Vice Principal shall maintain records of all borrowing, which shall be in the name of the Corporation.
- 5.1.5 The provision of banking services to the College shall be subject to review at least once every five years.

5.1.6 The Vice Principal or her or his nominee shall be responsible for undertaking on-going reconciliations from the bank account to College records.

6 EXPENDITURE

6.1 General

The Vice Principal or College Accountant shall monitor all payments made on behalf of the College and shall approve all payment procedures.

6.2 Orders and Contracts for Goods and Services

6.2.1 Goods and services purchased by the College shall be obtained expeditiously and economically. Budget holders shall ensure that purchases are the most favourable by obtaining estimates. If an estimate other than the lowest is accepted, a written record shall be kept of reasons for the decision.

6.2.2 The procedure for obtaining estimates is as follows:

Value or Order	Requirement
Up to £1,000	Budget holders or the Purchasing Officer shall use discretion and obtain two verbal/printed quotations where appropriate.
£1001 to £3,000	At least two verbal, written or printed (dated) quotations shall be required
£3,001 to £50,000	At least three written or printed dated quotations shall be required

6.3 Tendering Procedures

6.3.1 For expenditure estimated to be over £50,000, at least three tenders must be received unless prior approval for fewer tenders has been given by the Principal, or in her absence, the Chair of the Finance Committee. In this regard, there must be compliance with E.U. legislation. Governors and senior staff shall inform the Principal of any pecuniary interest prior to tender opening.

6.3.2 Invitations to tender shall be accompanied by a comprehensive and clearly written specification containing a date and time beyond which tenders will not be accepted and shall indicate whether the tenderer should provide evidence, for example, of insurance cover.

6.3.3 All tenders must be sealed and returned to the Principal or a person specifically nominated by her or him in an envelope marked "TENDER," identifying the subject to which it relates. The envelope must not identify the tenderer. Tenders must be kept in a secure place until they are opened.

6.3.4 All tenders received after the closing date must be kept unopened with the other documentation for the contract.

6.3.5 Tenders shall be opened by the Principal (or her or his nominee) in the presence of a governor, other than the Principal, staff or student governors, and the Clerk, who shall maintain a register of all tender openings. The prices quoted must be recorded immediately on a prepared schedule containing the name of the project/item, together with a list of those invited to tender. The price shall be inserted opposite the name of the appropriate tenderer. If a reply is not received from any of those invited to tender, this fact shall be recorded in the schedule.

6.3.6 On completion of the tender opening, the Principal or her or his nominee and the governor in question shall both sign and date the schedule. The signatures shall be witnessed by the Clerk.

6.3.7 The contract shall normally be awarded to the tenderer submitting the lowest price, based on overall value for money commensurate with provision of the required quality, providing that the tender meets the specification required. However, if information has been received in the period between despatch of invitations to tender and tender opening, which would, if known at the time that invitations were dispatched, have disqualified the tenderer from being invited to tender, then, in the event of that tender being the lowest, it may be excluded from the process.

- 6.3.8 If, after scrutiny, the lowest tender is not accepted, because another submission provides better value for money or for whatever other reason, this shall be noted on the schedule and the decision shall be reported to the next meeting of the Finance Committee.
- 6.3.9 Where, in the nature of the supply, it is impossible to obtain three tenders, or there has been a pre-tendering process in operation or the order or contract is subject to consortium arrangements, then the Principal and the Vice Principal may suspend this aspect of the regulations. This action must be reported to the next meeting of the Corporation.
- 6.3.10 If deemed appropriate, post tender negotiations may be entered into if there is a possibility of better overall value for the College being obtained.

6.4 Capital projects

6.4.1 For capital projects, the same tendering procedures as for the provision of goods and services shall apply except that the procedure for obtaining estimates shall be as follows:

Value or Order	Requirement
Up to £500,000	At least three written or printed dated quotations shall be required
Over £500,000	At least five written or printed dated quotations shall be required

- 6.4.2 Where, in the nature of the supply and for contracts of up to £500,000 in value, it is impossible to obtain three tenders or there has been a pre-tendering process in operation, or the contract is subject to consortium arrangements, then the Principal and the Vice Principal, after obtaining the agreement of the Chair of the Finance Committee, may suspend this aspect of the regulations. This action must be reported to the next meeting of the Finance Committee. In similar circumstances, where the value of the project is in excess of £500,000 and five tenders cannot be obtained, then the express authority of the Finance Committee must be obtained.
- 6.4.3 For large capital projects in excess of £1m, the Finance Committee shall consider and determine the following matters on their merits as the occasion demands and submit a report thereon to the Board:
 - The appointment of project managers
 - The use of external consultants to check a) the viability of the project b) ownership, insurance liability issues
 - The frequency and extent of monitoring of progress of projects
 - The review of retention/certification, release of payment
 - Any approval required from the CE of Skill Funding or other competent regulatory body
- 6.4.4 Expenditure of more than £500,000 on projects shall be the subject of a report to the Finance Committee (the minutes of which are submitted to the full Board).

6.5 Purchasing Arrangements – Ordering

- 6.5.1 Purchases are effected either by using the College’s computerised ordering system or by Government Procurement Cards.
- 6.5.2 The Vice Principal or her or his nominee shall be responsible for the arrangement and control of all official orders issued for supplies and services required by the College.
- 6.5.3 Every order shall be requested via a formal purchase order requisition which is properly authorised through the College’s computerised order system. Orders shall only be requisitioned if there is sufficient uncommitted allocation to cover the value of the order.
- 6.5.4 Placing orders without a requisition shall not be permitted. There are three allowed exceptions however, marketing, personnel and premises, up to £5,000, where in urgent circumstances and subject to the approval of the Vice Principal, orders may be given orally or by other means provided an official order number is quoted to the supplier and the order is confirmed in writing on the appropriate order form the same day.
- 6.5.5 Each order shall clearly indicate the nature and quantity of the supply or services required, the estimated price, including VAT, any agreed discounts, budget coding information and other relevant details.
- 6.5.6 All contracts or orders (which shall be inclusive of VAT) entered into on behalf of the College will be authorised as follows:

Value of Order	Authorisation

Up to £5,000	Budget holder, +Finance Officer or College Accountant
- From £5,001 to £50,000	Budget holder + Finance Officer + College Accountant
Over £50,000	Budget holder + Finance Officer + College Accountant + Principal (normally, otherwise Vice Principal)

6.5.7 All purchase order requisitions must be passed to the Finance Department for processing. On receipt of a purchase order requisition, the Finance Department shall ensure that:

- The requisition has been properly authorised
- An official order is raised
- An order is placed.

6.5.8 Credit Card/Internet orders shall be undertaken only by the Purchasing Officer, the Vice Principal or Government Procurement Card holders and will be subject to the normal financial regulation requirements.

6.6 Goods Received

6.6.1 All orders must clearly indicate the delivery address and a named contact

6.6.2 All deliveries must be checked with the originator to the delivery note where provided, which shall be signed and dated. Any discrepancies must be agreed with the deliverer and any amendments marked and initialled by both parties on the note. Managers shall also inform the Purchasing Section if they are not satisfied with the goods.

6.6.3 This note, where provided, shall be used as evidence that the goods have been received when the budget holder processes the invoice for payment.

6.7 Certifying Invoices for Payment

6.7.1 The Principal’s designated representative, (the Purchasing Officer), shall be responsible for the examination and verification of invoices for payment and for the allocation of expenditure to the relevant budget.

6.7.2 All invoices shall be certified by the relevant budget holder. A record and specimen signature of certifying officers shall be maintained and held by the College Accountant on behalf of the Vice Principal. The value of invoices shall include VAT and any other charges.

6.7.3 The College Accountant shall be responsible for the payment of all invoices. Payments will not be made against documents other than invoices. Payments will only be made against invoices which have been certified for payment by the appropriate officer(s). By certifying an invoice, the officer is stating that:

- The goods or services have been received/carried out
- The goods or services comply with the details in the College’s order
- The goods or services are of acceptable quality
- The invoice details (e.g. quantity, price, discount) are correct
- The invoice has not previously been passed for payment (i.e. it is not a duplicate request for payment)
- The expenditure coding, including VAT, is correct

6.7.4 The College will endeavour to settle undisputed suppliers’ invoices within agreed terms of trade and in any case within 30 days.

6.8 Method of Payment of Invoices

6.8.1 By cheque according to authorised signatories and limits as designated in 5.1.3.

6.8.2 By BACS according to authorised signatories and limits as designated in 5.1.3. The Vice Principal/College Accountant will be the sole persons authorised to transmit the BACS submission on-line.

6.9 Donations and Sponsorship

- 6.9.1 The Principal shall approve all donations and sponsorship arrangements in excess of £100 to any one body at any one time.
- 6.9.2 Any donation or sponsorship to any one body in excess of £1,000 per annum shall be reported separately to the Finance Committee

7 SALARIES, WAGES, STAFF EXPENSES AND OTHER CLAIMS

7.1 Salaries and Wages

- 7.1.1 The Head of Human Resources shall be responsible for the provision of relevant information to enable all salaries, wages, pensions and other emoluments to be calculated and paid.
- 7.1.2 The preparation of payrolls and the payment of salaries, wages and other emoluments to employees of the College shall be the responsibility of the College Accountant and shall be undertaken in accordance with arrangements approved by the Corporation. All remuneration payments must be made through the College's payroll, or its approved agent, unless an alternative arrangement has been agreed in writing with the HMRC (Her Majesty's Revenue and Customs)
- 7.1.3 All additions, deletions and amendments to standing data must be authorised by Human Resources.
- 7.1.4 Authorised contracted tutors will be allocated to a relevant online register, which forms their pay claim, by prior approval by the relevant member of the Executive team.
- 7.1.5 Those tutors not covered by the web register computerised system who submit claim records or other pay documents shall be in a form agreed by the Principal and shall be certified by such officer(s) of the College as authorised by the Principal. All certifying officers/budget managers must sign their name in full. A register of certifying officers/budget managers shall be maintained by the College Accountant.

7.2 Staff Expenses

- 7.2.1 The total payroll must be reviewed monthly prior to authorisation of payment. The payroll must be authorised for payment by two signatories, one of whom must be as per the list in 5.1.3.
- 7.2.2 Claims for expenses incurred by staff of the College in carrying out official duties shall be submitted on prepared expense claim forms and paid in accordance with the policies and rates authorised by the Corporation. In this regard, the attention of staff (and governors) is drawn to Appendix 1 of these Financial Regulations.
- 7.2.3 Expense claims may only be made in line with College policy and shall be authorised by the appropriate budget holder. No person shall be responsible for authorising or certifying his /her own claim. Certification means that the certifying officer is satisfied that the expense was authorised, the expenses properly and necessarily incurred and that the allowances and expenses are a proper liability of the College. The certification must be a full signature. The Principal's expenses shall normally be retrospectively approved on an annual basis by the Chair of Governors.
- 7.2.4 Hospitality can only be claimed for official meetings attended by external clients. Other events must be approved by the Principal in advance.
- 7.2.5 The Vice Principal shall ensure that all statutory returns and payments, such as those to the HMRC or similar agencies are made on time and are complete and accurate.

7.3 Governors Expenses

- 7.3.1 In the event of governors incurring expenses arising directly out of the discharge of their duties as governors, then they may claim expenses such as travel or subsistence. Additionally, claims may be submitted when expenses are incurred as a direct consequence of such duties, such as training courses or similar events for governors as approved by the Search & Governance Committee or where individual governors have incurred such costs such as those relating to childcare as a result of discharging their duties.

7.3.2 In such circumstances and including any claims for travel costs incurred, governors should advise the Clerk who will make arrangements for such claim to be processed. The Clerk shall be empowered to authorise governors' expenses of up to £100 in any one claim. Sums in excess of that amount shall be authorised by the Principal.

7.4 Travel

7.4.1 Rules governing governors and staff travel arrangements on College business are set out in Appendix 1 to these Financial Regulations.

7.4.2 Study Tours organised by members of the College's full-time or part-time academic staff are also subject to rules. Details are contained in Appendix 2 to these Financial Regulations.

7.5 Expenses Incurred in Relation to Appointments

7.5.1 The rules on travel and other expenses which may be claimed by candidates attending for job interview are also set out in Appendix 1 to these regulations.

7.5.2 The Principal shall be empowered to engage whatever professional external assistance he or she considers to be required in the appointment of senior staff. In the event of the appointment of a new Principal, the Chair of Governing Body after consulting the outgoing Principal, in her or his role as Chief Accounting Officer shall be similarly empowered.

8 PETTY CASH

8.1.1 The Vice Principal shall determine where and when a petty cash float is appropriate.

8.1.2 The Vice Principal shall be accountable to the Principal for the operation, control and security.

8.1.3 A nominated officer granted a cash float shall be personally accountable for the safe custody of the float. The level of floats held shall be normally be determined by the Vice Principal.

8.1.4 Proper records of accounts shall be maintained by nominated officers responsible for floats and reconciliations must be carried out on a regular basis as determined by the Vice Principal.

8.1.5 Petty cash floats must not be used to cash personal cheques. Income received on behalf of the College shall not be paid into a petty cash float.

8.1.6 A certificate of the balance of each float held must be provided on the last day of the financial year (31st July) countersigned by another officer and submitted to the College Accountant

8.1.7 The Vice Principal shall ensure that, where a nominated officer leaves the employment of the College, any petty cash imprest amount is properly and clearly handed over to his/her successor with any budget responsibilities.

8.1.8 The maximum size of a permanent float shall be designed not to exceed £100.

9 INCOME

9.1 General

The College Accountant shall be responsible for the security and prompt banking of monies received. All monies received on behalf of the College must be banked on a weekly basis and more frequently if insurance limits on the tills and safes are likely to be exceeded.

9.2 Receipts

9.2.1 All monies received shall be paid over the same day into reception or an overnight safe. This also applies to unofficial fund income and income held on behalf of another person or organisation.

9.2.2 Personal cheques must not be cashed out of money held on behalf of, or received by the College, and no money must be paid into a personal or non-College account. Non-compliance may result in disciplinary action.

9.2.3 Every sundry remittance or sum of money (cash or cheque) received by an officer on behalf of the College shall be acknowledged by the issue of an official receipt generated by the computerised system. Payment by credit cards shall be accepted.

9.2.4 Receipts of cheques must note on the back of the cheque the student name and number, if appropriate, or department originating the receipt.

9.3 Security of Postal Income

9.3.1 Any post that is known or expected to contain cash or cheques must always be opened in the presence of another person.

9.3.2 Remittances received by post on behalf of the College must be recorded.

9.3.3 In handling postal income and all other post, College staff should be mindful of advice given on the processing of suspicious packages being made known to all staff and included in the list of College policies

9.4 Cheques

All cheques received must be paid directly into the College's bank account.

9.5 Fees and Charges

The Principal, in consultation with the Vice Principal, shall undertake an annual review of charges and fees, including room hire rates, and recommend the new fees structure to the Finance Committee for approval by the Governing Body.

9.6 CE of Skill Funding Grants

The CE of Skill Funding provides grants to the College for a number of purposes. Virement between these grants shall only be allowed in accordance with the Financial Memorandum or other CE of Skill Funding funding regulations. The Principal shall be responsible for ensuring that the uses to which the College puts funds are consistent with the purposes for which the funds were given and comply with the conditions attached to them.

9.7 Invoicing and Debt Collection

9.7.1 Officers initiating additional services provided by the College, e.g. lettings, shall inform the College Accountant of particulars of new contracts, work done, goods supplied or services rendered to enable the correct, complete and timely billing of income due to the College.

9.7.2 All requests for payment for goods or services provided by the College shall be by official invoice. Monies due to the College shall be requisitioned on official invoices by the Finance Section. The approval of the Vice Principal shall be required for any departure from the College's invoicing procedure.

9.7.3 Appropriate debt recovery procedures shall be determined by the Principal in consultation with the Vice Principal and shall be subject to the scrutiny of the Finance Committee and approval by the Governing Body.

9.8 Outside Income

9.8.1 Employees of the College shall not accept any cash, cheques or monetary sum from any third party in relation to their work duties, other than for the purpose of depositing such sums in the College's official bank account or by arrangement with the Vice Principal.

9.8.2 Staff who with the College's consent earn additional money in work time, through, for example, speaking at conference engagements or through examination assessments and similar work, shall pay such monies to the College. It is expected that travel and associated expenses will be paid by the outside body or, if not, deducted from earnings before any payments to staff are made.

9.9 Bad Debts

Outstanding debts due to the College shall be reviewed monthly by the Vice Principal. When all reasonable steps to secure recovery have been taken, individual amounts of up to £250 may be written off by the College Accountant. Amounts above £250 shall be written off by the Vice Principal. Write-offs shall be reported to the Finance Committee for information on an annual basis.

9.10 Credit Notes

- 9.10.1 Credit Notes must be requested in writing to the College and approved by the College Accountant. The credit note position must be available to be listed for review by the Principal.
- 9.10.2 No one, including commercial companies shall have credit owing to the College exceeding £2,000 without the prior approval of the Vice Principal.

9.11 Contracts for the Provision of Education and Research

All contracts for the provision of Education and Research which are capable of yielding income or incurring expenditure in excess of £5,000 shall require approval by the Principal. All other such contracts shall require the approval of the Vice Principal.

10 HOSPITALITY, GIFTS AND STAFF AND GOVERNORS' EVENTS

10.1 Receipt of Hospitality and Gifts by Governors

- 10.1.1 Any governor receiving hospitality from any supplier, contractor or agent of the College must inform the Clerk who will keep a written record of same. However, if such hospitality is of a *de minimus* nature or purely co-incident to an existing working day (e.g. provision of lunch whilst visiting an external supplier), then no action shall be required.
- 10.1.2 Small personal gifts in kind such as confectionery, flowers or shop vouchers however may be accepted provided the value of same does not exceed £100.
- 10.1.3 The Principal may apply discretion in this area with regard to personal (e.g. leaving or retirement) gifts, prizes or in exceptional circumstances, for goodwill payments of up to £500 per person. Sums above £100 may become liable for standards deductions (tax, National Insurance etc).

10.2 Receipt of Hospitality and Gifts by Staff

- 10.2.1 Any member of staff receiving hospitality or gifts from any supplier, contractor or agent of the College must inform the Vice Principal who will keep a written record of same. However, if such hospitality or gifts is of a *de minimus* nature (£50 or less) or purely co-incident to an existing working day (e.g. provision of lunch whilst visiting an external supplier), then no action shall be required.
- 10.2.2 Any member of staff being offered hospitality or gifts to a value in excess of £50 must seek approval from his or her Line Manager prior to acceptance.

10.3 Dispensing of Hospitality by Staff and Governors

- 10.3.1 Any member of staff or governor wishing to dispense hospitality must complete the College hospitality form, on which he or she shall state the purpose of the hospitality proposed. This must then be authorised by a budget holder (the Principal shall authorise hospitality if the person wishing to provide hospitality is another budget holder).
- 10.3.2 Hospitality must only be dispensed if it is in connection with College business and if the person or persons receiving such hospitality are from outside the College. The exception being Governing Body and Committee meetings.

10.4 Staff Events

- 10.4.1 The Principal shall have delegated authority to approve a small number of social events for staff over the course of a year, where in her or his view, such events are beneficial in terms of maintaining morale and he or she shall be authorised to provide a sum of up to £5,000 in connection with same. Any sums in excess of that figure shall be subject to the approval of the Chair of Governors. Such authority shall be subject to the events being open to all staff, regardless of whether they are full-time or part-time.
- 10.4.2 At such events, the responsible use of alcohol shall be permitted, it being a matter for the Principal to determine the restrictions that are to be imposed.

10.4.3 Similarly, at such events as the College Management Weekend Seminar, the Principal shall have discretion to provide reasonable alcoholic refreshments including pre-dinner drinks and wine with dinner. This shall be funded from the Staff Development Fund.

10.5 Governors' Events

10.5.1 Arrangements for governors' events, training sessions, weekend seminars and similar shall be approved by the Principal. Reasonable levels of refreshments including alcoholic drinks may be provided at weekend seminars and at purely social events such as farewell functions. However, alcohol shall not be permitted at meetings of the Governing Body and its committees. nor at training sessions.

10.5.2 Governors training and development shall be financed out of the Executive Department Budget.

11 TREASURY MANAGEMENT

11.1 Investments

11.1.1 Any surplus funds shall be invested at the highest rates achievable subject to compliance with the provisions of the Trustee Act 2000, banks' liquidity ratios and best overall value taking into account transaction and other overhead costs.

11.1.2 The Vice Principal shall have delegated authority to decide on a day to day basis where appropriate and secure deposits may be made (subject to the overall approval of the Finance Committee) and the College Accountant shall decide on the appropriate amounts to be deposited in consultation with the Vice Principal when appropriate. All investments must be made in the name of the College.

11.1.3 Fund transfers to banking institutions approved by the Finance and Resources Committee shall be duly authorised according to signatories and limits as stated in 5.1.3 and may be effected either by fax instruction or by secure bankers' on-line facility.

11.1.4 The Vice Principal shall submit reports to the Corporation detailing investments made and the terms and interest received from those investments, as required. He or she shall seek approval for the College's investment strategy from the Finance Committee, such submission to contain a report on the investments arising out of the previous year.

11.2 Cashflow Monitoring

11.2.1 The College Accountant shall be responsible for preparing and updating each month a projection of the College's cashflows.

11.2.2 The Vice Principal shall be responsible for prompt and regular monitoring of the cash position against cashflow projections and for reporting significant variances to the Principal.

11.3 Borrowing

11.3.1 Short term borrowing for temporary revenue purposes shall be authorised by the Principal (commensurate with 5.1.4).

11.3.2 All other borrowing requires the explicit approval of the CE of Skill Funding in accordance with the Financial Memorandum.

12 INSURANCE AND RISK MANAGEMENT

12.1 Insurance

12.1.1 The Principal shall effect such insurance as are from time to time considered necessary to cover risks to which the College may be exposed and shall negotiate and recover claims. The Corporation should consider all insurance cover annually.

- 12.1.2 The Vice Principal shall keep a register of all insurance held by the College and the property and risks covered.
- 12.1.3 Staff and Members of the Corporation have a responsibility to notify the Vice Principal of any new risks which require insurance or of any changes which may affect existing insurances.
- 12.1.4 The Head of Estates shall notify the Vice Principal immediately in writing of any loss, liability or damage or any event likely to lead to a claim.
- 12.1.5 The Head of Estates shall negotiate all claims which are the subject of insurance and shall report the basis and outcome of all such claims to the Vice Principal.
- 12.1.6 Appropriate legal advice must be taken regarding the terms of any indemnity that the College is required to give.

12.2 Risk Management

- 12.2.1 The Principal shall prepare a Risk Register, which shall be reviewed and updated termly. This shall also be approved by the governing body and shared with the funding council if required.
- 12.2.2 The Risk Register shall address the College's business risks including but not limited to internal operations and systems and also the external environment.
- 12.2.3 The Risk Register shall assess the College's sensitivity to the various risks and contingency arrangements.
- 12.2.4 A systematic and documented approach shall be adopted, the key risks shall be addressed and a written record be kept in the form of the Risk Register.
- 12.2.5 The risk assessments shall show both inherent risk (taking no account of controls and systems to mitigate) and residual risk (after mitigation).
- 12.2.6 Further guidance on risk and the Turnbull report recommendations on corporate governance can be found in CE of Skill Funding Circulars 01/01 Annex E, 01/04 Paragraphs 68-79 and 02/07 Paragraphs 53-70.

13 ASSETS

13.1 Inventories

- 13.1.1 The Vice Principal shall be accountable to the Principal for maintaining proper security of all buildings, furniture, equipment, plant, stores and all other assets of the institution and shall ensure that such assets are recorded on an inventory or otherwise in such a manner as may be required by the Corporation.
- 13.1.2 Inventory items must be recorded immediately on receipt and where appropriate, they should be clearly and permanently marked as the property of the College
- 13.1.3 It shall be the responsibility of the Vice Principal to ensure that an annual check of the inventory is carried out in order to ensure that all items can be accounted for. All discrepancies identified must be notified to the Vice Principal. Discrepancies not exceeding £2,000 (at current value) can be written off by the Vice Principal, but should be reported to the next meeting of the Finance Committee. Discrepancies in excess of that amount can only be written off with the approval of the Committee.
- 13.1.4 College property shall not be removed from the premises other than in accordance with the ordinary course of College business. Any property so removed shall be recorded in a schedule maintained by the Vice Principal.

13.2 Disposal of Surplus/Obsolete Stock/Assets

- 13.2.1 The disposal of surplus/obsolete materials and stores valued at up to £2,000 at current values may be authorised by the Vice Principal. Disposals of over £2,000 must be reported to the Finance Committee.
- 13.2.2 Fixed assets which have a known or estimated value of under £1,000 may be sold through advertisement on an internal college notice board for a seven day period. Goods still unsold may be re-advertised at a reduced price or disposed of in an appropriate manner with the approval of the Vice Principal.

- 13.2.3 All other items with an estimated disposal value in excess of £1,000 must have an independent valuation before disposal. The Principal must approve the disposal in writing. All income from such sales is to be paid into the relevant budget heading of the College.
- 13.2.4 The Finance Committee shall approve disposals of assets with an original cost in excess of £10,000. The Principal will also approve disposals where the original value is more than £2,500 and less than £10,000. Disposals where the original cost was less than £2,500 shall be approved by the Vice Principal.
- 13.2.5 The Vice Principal and the Vice Principal shall ensure that assets that are disposed of are removed from the assets register.

13.3 Stocks and Stores

- 13.3.1 The Vice Principal shall be responsible for the maintenance of sufficient records of stores as is required for accounting, costing and financial record purposes. Individual officers are responsible for the custody of stocks and stores within their area.
- 13.3.2 All stocks shall be issued from stores in accordance with procedures established by the Vice Principal. The level of stocks held shall not exceed reasonable levels for normal requirements and shall not exceed agreed levels.
- 13.3.3 Stock checks must be carried out annually by an officer nominated by the Vice Principal. Detailed records should be kept and discrepancies investigated.

13.4 Security and Safes

- 13.4.1 All keys to safes shall be the responsibility of specified officers who must retain possession. A register of keys and key holders will be retained by the Head of Estates and the loss of any key must be reported immediately to the said Head of Estates.
- 13.4.2 Maximum limits of cash holding shall be agreed by the Vice Principal and shall not be exceeded without permission. Failure to comply may invalidate insurance arrangements.
- 13.4.3 The Principal shall be responsible for the proper security of all assets (including all forms of data). Any deliberate attempt to gain unauthorised access to College assets or data held in any form may result in disciplinary proceedings.

14 AUDIT

14.1 Internal Audit

- 14.1.1 The Corporation shall ensure that adequate arrangements are made for the provision of an internal audit service, complying with the guidance provided in the relevant CE of Skill Funding circulars.
- 14.1.2 The Corporation shall appoint qualified internal auditors to provide the internal audit service for the College. Before such an appointment is made, the draft letter of appointment shall be sent to the PFA Regional Audit Manager so that the CE of Skill Funding can ensure that the letter is in accordance with its requirements.
- 14.1.3 Internal Audit is responsible to the College through the Principal, for maintaining the audit of all aspects of the College's financial affairs. The Audit Committee have the right of access to any minutes, books, documents or other information kept by the College and also have the right of access to the Chair of the Corporation and any College staff. Responsibility for the maintenance of adequate systems of internal control remains with management and not with internal audit.

14.2 Financial Statements Audit (formerly External Audit)

- 14.2.1 The Corporation shall appoint qualified Financial Statements auditors to report on the statutory accounts of the College. Before such an appointment is made, the draft letter of appointment shall be sent to the PFA Regional Audit Manager so that the CE of Skill Funding can ensure that the letter is in accordance with its requirements.
- 14.2.2 The Financial Statements auditors shall have the right of access to any minutes, books, documents or other information kept by the College.

14.2.3 At the conclusion of their audit, an audit certificate on the College's accounts shall be submitted to the Corporation.

14.2.4 The appointment of auditors shall be the subject of review every five years or less.

14.3 Regularity Audit

This will be undertaken by the Financial Statements auditors who may use information provided by the Internal Auditors.

14.4 Auditors' Contracts

14.4.1 Auditors may be appointed for up to five years in the first instance, on the expiry of which the College shall invite new tenders from at least five firms known to provide the service required. However, the Corporation may extend the auditors' contract if there are compelling practical reasons for doing so, reasons for which shall be recorded in Corporation minutes.

14.4.2 The CE of Skill Funding may be consulted about firms who are to be invited to tender and must also be invited to comment on the draft letter of appointment before any formal appointment of new auditors is made.

14.4.3 The Audit Committee membership shall form a panel to receive presentations from potential auditors prior to appointment. At such presentations, at least three members of the Committee shall be present.

14.5 Compliance with Audit Codes of Practice

College governors, committees and staff are required to ensure that the College complies with the Interim (and subsequent) Audit Code of Practice issued by the CE of Skill Funding.

15 PREVENTION OF FRAUD, CORRUPTION AND FINANCIAL IMPROPRIETY/WHISTLEBLOWING

15.1 Statement of College Policy on Fraud, Corruption and Financial Impropriety Prevention

15.1.1 The College shall do all within its power to eliminate and prevent fraud/corruption/financial impropriety which describes such acts as deception, forgery, extortion, corruption, theft, conspiracy, embezzlement, misappropriation, false representation, concealment of material facts, bribery and collusion.

15.1.2 Therefore, the College has a duty to instigate, develop and maintain effective controls, carry out vigorous investigations, take appropriate disciplinary and/or legal action against perpetrators and disciplinary action against managerial staff whose negligence caused the malpractice or offence to occur. There shall therefore be in place a controls framework, involving financial regulations, standing orders, registers of interest (for both governors and relevant staff), internal and external audit systems and similar.

15.1.3 College management shall, in turn, identify risks to which systems and procedures are exposed, develop effective controls to prevent and detect fraud and ensure that staff comply with such controls.

15.1.4 Similarly, all staff shall act with propriety in the use of college resources and in the handling and use of public funds and resources when they are involved with cash, payments systems, receipts when dealing with contractors and suppliers or any other aspect of College business.

15.2 Whistleblowing

15.2.1 The author of the report on Standards in Public Life, Lord Nolan identified seven principles which should be observed by those holding public office (Selflessness, Integrity, Objectivity, Accountability, Openness, Honesty and Leadership). In order for the principles to be applied, various elements of best practice were set out, one of these being the need for institutions to have a WHISTLEBLOWING procedure, whereby individuals could raise concerns if they had grounds for believing that an offence or serious malpractice was taking place. The name of the individual raising concerns would be kept confidential for as long as possible in the process and he or she would not be penalised by dint of having reported any misgivings. However, should the action have been carried out in bad faith or maliciously, the person concerned will be subject to disciplinary proceedings.

15.2.2 The College operates a Whistleblowing policy. The procedure covers a range of issues and circumstances, most of which are outside the scope of these financial regulations. However, included in the policy is a reference to financial malpractice or fraud; hence the inclusion of this category in this document.

15.2.3 Members of staff or governors therefore wishing to raise concerns under this heading are invited to refer to the contents of Appendix 3 of these Financial Regulations which sets out the procedures to be followed for blowing the whistle on financial misdemeanours.

16 MISCELLANEOUS

16.1 Taxation

16.1.1 **Value Added Tax** - If the College registers for VAT, it must complete VAT returns to the Customs and Excise as required. The Vice Principal shall maintain the VAT records for the College and shall make all VAT payments and receive all VAT credits as appropriate.

16.1.2 **Corporation Tax** - The College may be liable for any corporation tax on profit making activities that it undertakes. The Principal shall be responsible for ensuring that any liabilities in this area are identified and reported accurately to the HMRC.

16.2 Management of Capital Projects

The College shall, at all times, comply with any guidance given and requirements set out by the relevant funding body for capital projects.

16.3 IT Systems Amendments

16.3.1 Any systems amendments must be documented by the ITS team and authorised by a member of the Executive. If the amendments require substantial re-programming or replacement software to the value greater than £15,000, approval must first be obtained from the Principal.

16.3.2 All software and hardware purchases shall be either channelled through or agreed with ITS, particularly with regard to compatibility and sustainability.

16.3.3 Use of the College's IT system, including e-mail and the Internet must be in accordance with the College's IT use policy

16.4 Legal Costs

The only person(s) who may incur legal costs on behalf of the College are the Principal, or the Vice Principals, following consultation with the Principal, or in her absence, the Chair of Governors; in certain exceptional circumstances, the Clerk in consultation with the Chair of Governors may incur legal costs.

16.5 Financial Procedures and Accounting Policies

16.5.1 The Vice Principal shall maintain and update financial systems and procedures as required. These must be available to staff in writing to ensure the efficient and effective management of the finance section of the College. Included in the foregoing shall be such matters such as the list of budget holders, details of college bank accounts, nominal code lists, department code lists, insurance details, disposal procedures, requisitions, petty cash procedures, credit notes, refunds; without the above list being in any way exhaustive.

16.5.2 The Vice Principal will review annually overall accounting procedures in conjunction with the financial statements and internal auditors in order to ensure that they remain appropriate for the College's current and likely future circumstances and are in accordance with statutory requirements and accounting bodies' recommendations of best practice. The Finance Committee will also review accounting policies and any changes annually and make recommendations to the Governing Body.

16.6 Approval of Financial Regulations

The College's Financial Regulations shall be determined by the Corporation acting upon the advice and the recommendation of the Finance Committee. Amendments to the Financial Regulations may only be approved by the Corporation.

16.7 Data Protection

The Principal shall appoint a data protection officer whose responsibility it shall be to ensure that the College complies with the provisions of the Data Protection Act.

16.8 Freedom of Information

The Principal shall appoint a Freedom of Information Officer whose responsibility it shall be to ensure that the College complies with the provisions of the Freedom of information Act 2000.

16.9 Copyright

- 16.9.1 The copyright to all learning materials, documents and manuals prepared by or on behalf of the College shall remain the property of the College.
- 16.9.2 No member of staff may use such copyright materials for other than College use without the permission of the Principal.
- 16.9.3 All monies arising from the agreed use of copyright material are due and payable to the College.
- 16.9.4 The Corporation shall ensure that every contract entered into on its behalf contains an appropriate clause to protect copyright.

APPENDIX 1: RULES ON TRAVEL AND OTHER EXPENSES**1. CAR AND MILEAGE ALLOWANCE**

The College's car mileage scheme is only available to those members of staff whose need to travel is included or implied in their job descriptions. For more details reference should be made to the Human Resources Department. Staff and governors should make themselves aware of whether they are included as part of the scheme

All other staff and governors who intend to use their own cars on college business should check their insurance policies to ensure that they have adequate cover for such casual use, which shall be at the member of staff or governor's own risk, the College being exempt from any liability in such circumstances.

Journeys for which staff and Governors may claim mileage expenses shall be subject to review by the College on an annual basis.

Otherwise, they shall, wherever possible, use the most effective means of public transport in such circumstances and shall submit such expenses claims on the basis of same.

2. TRAVELLING TO DISCHARGE COLLEGE BUSINESS OR ATTENDING TRAINING COURSES, CONFERENCES ETC

The onus shall be on staff who need to travel to discharge College business or to attend conferences, training courses etc, to first of all ensure that their line manager is aware of the proposed journey, approves of its purpose and will be willing to sign any expenses claim. Should the staff member wish to travel outside a radius of 300 miles, measured as the crow flies from the employees main College site, then the journey shall be sanctioned at a level no lower than that of a senior postholder; senior postholders' journeys to be with the Principal's approval. Such consideration shall include travel to the countries of the European Union and Norway and Switzerland.

Any member of staff wishing to travel outside the countries of the European Union (including the countries of Norway and Switzerland) must ensure that the Principal is aware of and approves of the purpose of the journey. If the Principal is the person wishing to travel, in such circumstances, then he or she shall inform the Chair of Governors.

Such considerations as set out above shall apply regardless of whether the journey is being paid for by the College or any other agency.

In the event of such journeys involving an overnight stay or stays and such arrangements not being included as part of a conference or training course package, reasonable expenses for accommodation and out of pocket expenses will be paid provided this has been agreed in advance by the Principal or any other senior postholder.

The method of travel shall be a matter for the staff member to determine, but in any event the amount claimed shall not exceed the standard second class fare in the event of rail travel or the most cost effective means of air travel. Reasonable associated expenses such as taxi fares from the railway station or the airport to the conference centre or hotel and a meal allowance of up to £30 to cover the day of travel and a similar figure for the day of return, may also be claimed.

The provisions of the foregoing shall apply to governors wishing to travel, except that there shall be prior approval by the Chair of Governors and the Principal.

For the avoidance of any doubt, and for the purposes of this section of the Financial Regulations, approval to travel given by the Chair of Governors, the Principal or any line manager, in any of the circumstances referred to above, shall be regarded as agreement to sanction expenses incurred.

3. ATTENDING FOR INTERVIEW FOR ESTABLISHED POSTS

Travel expenses may be claimed by persons attending for job interview for established posts. Overnight expenses shall not normally be payable in such circumstances, if and when the appointment process lasts for no longer than one working day and where the candidate in question has to travel from a point within a radius of 200 miles of the College

or where the interviews are taking place; such distance having been measured as the crow flies.

If such justification has been provided and accepted by the College or if the recruitment process lasts for more than one day making an overnight stop essential, candidates may claim expenses per night spent away, if they have to make their own arrangements. However, the amount of expenses claimed must be agreed in advance by the Principal or any other senior postholder. Such sum shall be in addition to travel and related expenses.

4. PAYMENT OF REMOVAL EXPENSES

Removal expenses shall not normally be payable to staff moving into the area, except that the Chair of Governors shall, after consulting the Principal, be entitled to authorise such payments for newly appointed senior staff. No individual payment shall exceed £7,000.

5. CLAIMING EXPENSES

Claim and other forms can be obtained from the Reception Desks at both Parkshot and Clifden or may be accessed on shared drives/staff intranet.

6. PRODUCTION OF RECEIPTS

Individuals submitting expenses claims on the lines mentioned above shall ensure that such submissions are accompanied by receipts or other documentary evidence. Failure to do so shall in normal circumstances mean that the expenses incurred will not be reimbursed.

APPENDIX 2: STUDY TOURS

1. Guidelines

- 1.1. The following procedures must be followed by any member of the full or part time staff who is paid by the College and who wishes to have access to college students via his/her register or via notice boards in order to organise a study visit. Access to other registers by part time is "unauthorised access". The rules apply to any organised staff visit of more than one working day's duration, whether in this country or abroad.
- 1.2. The College is not a travel agency, nor does it provide students or staff with lists for anyone to create a private income from running social activities at a private profit. College insurance is not extended to unplanned activities and tutors engaging in such activity may be subject to disciplinary action if students are misled on the role and purpose of the activities.
- 1.3. All tours planned by an academic member of staff must be fully discussed and formally approved by a head of department. An approval sheet is available for this purpose.
- 1.4. The tour arrangements must be approved by the Vice Principal and information so that he or she can ensure that the College's position is protected.
- 1.5. The aim of College study tours is to organise a tour, which is relevant to a particular course at a price which will cover the cost of the tour plus 10%. There is no profit for the organiser and materials bought to enhance the tour belong to the College and not to the organiser. Any incidental profit which arises belongs to the College. Preparation is done in work time and no additional fee or home expenses are payable to the organiser. Essential preparation for the tour is part of preparation for the course.

2. Size of the Tour

- 2.1. The normal manageable tour will be one coach load with 2 members of staff of which one will be full time, i.e. around 50 students. The viability of the tour shall be determined at College discretion after all legitimate students have applied. A full list of students should be submitted to the Faculty Director for confirmation. A ratio of 1:20 is advisable for leader/free places. A minimum tour number must be identified. No more than 50 will be permitted on a tour.

3. Tour Company or Travel Agent

- 3.1. College procedures (see Financial Regulations 6.2.- 6.6.) for letting of contracts must be followed in respect of choice of tour companies. The College will only deal with ABTA/IATA bonded travel/tour agencies.

4. The Proforma

- 4.1 The proforma should be completed at least three months in advance of the tour and preferably longer, which gives appropriate clearance to the activity in advance of any publicity being sent out or any communications with students. Ideally, the tour should be planned at the same time as the course is planned and it should be advertised in the prospectus. Tours planned at the last minute will not normally be approved.
- 4.2 The Study Tours proforma will set out the steps for clearance of the activity by Heads of Department.
- 4.3 The organiser must set out the purpose of the visit and identify the course and students who will benefit from the activity. The purpose must coincide with the subject matter of the course.
- 4.4 The dates, times and periods for the visit etc must be set out and no visit will be approved in term time if the organising tutor needs to have a replacement or substitute for more than two days of teaching, unless approved by the Principal in writing.
- 4.5 Heads of Department and the College Accountant shall be supplied with a full list of participants with the date of birth, nearest of kin and full address – all students must be identified with a class code. The teaching replacement cost to the College must be accounted for in the estimate and process for the tour. The Head of Department must be

satisfied that the teaching replacement arrangements are of high quality, properly planned and will not inconvenience other students.

4.6. A fully costed estimate covering the above must be submitted well in advance of the travelling date.

4.7. The number of students admitted to the visit is determined by the students on the course. Partners, friends and such ancillary members may only act as infill if numbers so require. Members of the general public will not normally be admitted. It is not the College's intention to take large tours involving multiple staff, except in the most exceptional circumstances.

5. Cost and Financial Procedures

5.1. The Study Tours "Financial Budget Document" must be completed before the tour goes ahead.

a) Free Places

All free places must be identified. Travel companies usually offer a ration of one free place for every 10/12 paying travellers. This "non cost" must be accounted for in the estimate and accounts.

b) Fee

The fee notified to students must cover the travel, board, admission fees (unless otherwise stated), the basic expenses of the tutors/leaders and any teaching replacement costs plus the 10% extra due to the College.

c) Expenses

Staff expenses must be agreed in advance of the tour. However, out of pocket expenses will under no circumstances exceed £30 per full day per person. Part days are paid at half the full day rate. No additional personal items will be paid.

d) Surplus

Tour budgets must have a surplus built in, being at a minimum 10% of the cost. The surplus may be split 50:50 between the College central budget and the Department. The Departmental surplus will be paid to the College Fund and monitored by the Finance staff. No surplus from study tours shall be paid into any other accounts than the main College Fund. However, where there is a loss, the cost centre/ department will be expected to bear this loss from any funds they hold or from the relevant budget.

e) Banking and Accounting

Cheques should be made payable to RACC. All monies should be paid into the main College accounts through the organiser who shall keep full records, including full receipts of all transactions, telephone calls etc. Petty cash payments, if required, should be requested in advance from the College Accountant.

f) Refunds

All participants are to be given a copy of the proforma making it clear that the college will not give refunds in any circumstances and that those withdrawing will be billed for the whole amount if the College is liable for full payment. It is therefore important that individual arrange their own insurance as the College will not be held responsible for cancellation issues.

g) Deposits

Deposits of at least 20% of the tour price must be paid in advance by each person, as set out by the organiser; the balance of fees must be paid in full as required **before the trip commences**. Fees must always be paid **in advance** of the date the College has to pay transport companies or other costs.

h) Organising Time

The College expects staff to organise study tours in work time without charging the College for any additional personal costs (e.g. telephone expenses).

i) Insurance

Students must all take out private insurance cover prior to going on a tour. Staff must ensure with the College Accountant that sufficient cover is organised. The insurance cover for staff must be set out clearly in any document, including the lack of refunds. There are no College refunds and this must be made clear to all those signing for the tour or paying deposits.

APPENDIX 3: WHISTLEBLOWING PROCEDURE

INTRODUCTION

Background information on the whole concept of whistleblowing is set out in para 15.2. of the main body of these Financial Regulations. Information set out in this appendix refers to financial impropriety, bribery and fraud only and not to a range of other malpractices covered by the policy.

RAISING CONCERNS

Any member of staff or governor who has reasonable grounds for believing that serious malpractice has or is taking place under the heading of financial impropriety or fraud may raise a concern. In deciding to proceed, the individual must act in good faith and in no circumstances for personal gain. The judgement must also be made as to whether it is reasonable to make the disclosure.

PROTECTION FOR THOSE RAISING CONCERNS

In raising a concern, the individual involved shall not be penalised or receive adverse treatment for so doing. Conversely, any individual who does not act in good faith and makes an allegation without good grounds or makes it for personal gain or acts maliciously shall be liable to disciplinary proceedings.

The identity of any person making a disclosure shall be kept confidential for as long as this is feasible, and if this is desired, provided that this is compatible with a proper investigation.

MAKING THE DISCLOSURE

Disclosure of financial impropriety or fraud shall be made in the first instance to one of the following:

The Vice Principal
The Clerk to the Governing Body

The choice of which of the above to approach shall be a matter for the person making the disclosure to determine, bearing in mind the line management responsibilities of each. Disclosure may also be made directly to the Principal if, in the opinion of the person making such disclosure, one or both of the employees referred to above has/have not responded satisfactorily.

Should the subject of the disclosure be any of the two mentioned above, then the matter shall be brought to the attention of the Principal and Chief Executive.

Should any disclosure be made concerning the Principal and Chief Executive, then the Clerk (if not involved already) shall be informed in strict confidence so that he or she may approach the Chair of Governors.

All disclosures should be notified to the Clerk who will prepare a summary report to the Governing Body once per year,

As an alternative to raising concerns internally, the person concerned may choose one or both of the following options:

He or she may approach the organisation called Public Concern at Work, whose details can be found on:
<http://www.pcaw.co.uk/>

And/or the matter may be brought to the attention of the College's Internal Auditors. Contact details may be obtained from the Clerk.

AFTER THE DISCLOSURE HAS BEEN MADE

After the relevant manager has received the disclosure, he or she will decide whether there is a prima facie case to answer. If there is, then the probable outcome is that the next stage will be an investigation which may be conducted internally or externally, or be the subject of a public inquiry.

It may also be necessary, after investigation to refer the matter to an outside agency such as the CE of Skill Funding or the Police.

If the outcome of the preliminary investigation is that no action be taken, then this shall be communicated and explained fully to the person making the disclosure. It will be a matter for the latter to determine whether to pursue the matter further with the Principal and Chief Executive and ultimately with the Chair of Governors.

Should all the above avenues have been exhausted, then the person making the disclosure should seek independent legal advice or consult the CE of Skill Funding.

INVESTIGATION AND REPORTING TIMESCALES

Investigations shall be carried out speedily and sensitively by the person to whom the disclosure has been made and/or by the agency (e.g Internal Audit) designated by her or him. It will be for the person to whom the disclosure has been made to determine the next stage, depending on the nature of the offence and the strength of the case.

In any event, there shall be a report back within a period of fifteen days. If the matter being investigated is of such complexity that an extension of the period is required, then the agreement of the discloser shall be sought for an extension of the investigation period by fifteen days.

FORMALITIES TO BE OBSERVED

All parties to the disclosure shall ensure that each stage of the process is officially recorded and signed by the Investigating Officer and by the person making the disclosure. Should the latter not wish to be identified, then he or she will be required instead to sign a separate document confirming that the complaint has been investigated.

A report will be prepared by the person to whom the disclosure has been made.

ADVICE FOR THOSE WITH CONCERNS/STRONG SUSPICIONS

- Don't delay in taking action
- Keep accurate written records of the occurrences giving rise to the concerns/suspicions
- Act discreetly and sensitively and focus strictly on the issues in question so as to avoid giving rise to complaints of personal antagonism
- Be assured that if there is any evidence of adverse treatment, harassment or victimisation as a result of making the disclosure, then disciplinary action will be taken against the perpetrator in accordance with the relevant procedure.