



Financial Policies & Procedures Manual

Incorporating: Thornden School Services Ltd

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Prepared By	Executive Director of Finance
Review date	October 2024
Approved By	HISP Trust Board
Policy Review Date	July 2026

Our Approach

From 2024, we're writing our policies with clarity and accessibility in mind. While statutory requirements sometimes limit this, our documents are central to uniting us as One Trust. References to "you" highlight your vital role within the Trust; "we" refers to HISP as your employer. Should you have any queries on this document please email finance@hisp.org

All template forms referred to in this manual can be found [Here](#)

Key Information – HISP Multi Academy Trust

HISP Multi Academy Trust is a Limited Company and has charitable status exempt from registration. The Department for Education is our regulator. [HISP MULTI ACADEMY TRUST LTD](#)

Company No: 07562918

General Finance Procedures

Prepared by: Executive Director Finance/Head of Finance

June 2025 revisions:

General	Refresh of language/Updates as per annual audit recommendations Inclusion of IR35 Guidance
Roles	Section added for Headteachers and Unit Heads
Financial Planning	Financial recovery section added Added option for Trustees to withdraw financial delegations if budgetary concern over financial recovery plan
Payroll	Updated with new guidance and sign off process Updated to reflect revised Scheme of Delegation
Purchasing	Updated with Procurement Act guidance and linked to refreshed procurement policy Updated to reflect revised Scheme of Delegation
Income	Update regarding charging and remissions policies at school level
Fixed Asset and Capital	Revised wording to highlight the difference between capitalisation and capital grant spending

1. Purpose

This manual sets out how we maintain strong financial controls, aligned with legal standards and best practices outlined in the [Academy trust handbook](#). These controls support our funding agreement with the Department for Education (DfE), and the funding agreements of the schools within our Trust. It explains our internal financial procedures and must be read by all staff involved in financial activities. These procedures will be reviewed as part of our internal scrutiny programme.

2. Roles and Responsibilities

Organisational Structure

We've clearly defined responsibilities to ensure accountability and avoid gaps or overlap. Our statutory educational information can be found here [HISP MULTI ACADEMY TRUST LTD - GOV.UK](#)

Below is a summary of financial roles and responsibilities for individuals and groups across our Trust:

Members

Members act like shareholders in a company. We must have at least 3, ideally 5 or more. Their responsibilities are detailed in our Articles of Association. They also appoint and remove external auditors.

Trust Board

The Board oversees all financial matters. Key responsibilities include:

- Ensuring DfE and sponsor funds are used appropriately
- Approving the annual budget
- Appointing the CEO (Accounting Officer) and CFO

Audit & Risk Committee

A subcommittee of the Board, meeting at least once per term.

It follows annual Terms of Reference to oversee risk and internal controls, and oversee the programme of work resulting from audit.

Finance & Resources Committee

Also a subcommittee of the Board, meeting at least once per term. It oversees and scrutinises budgeting, financial strategy, and resource management per its Terms of Reference delegated by the Trust Board.

Chief Executive Officer (CEO) – Accounting Officer

The CEO is responsible for all Trust operations, including finance. Key duties include:

- Ensuring compliance with the Academy Trust Handbook
- Signing an annual statement on regularity and propriety
- Advising the Board on decisions that may breach legal or regulatory obligations

Executive Director of Finance (Trust CFO)

Reports to the Board through the CEO. Must be suitably qualified. Key duties include:

- Establishing suitable financial systems and controls for the organisation
- Consolidation of 3 year budgets for Trust Board Approval and Delivery of Management Information to the Board
- Providing Strategic advice to the CEO, Trust Board and Headteachers and Unit Leaders on financial matters
- Lead the Finance function of our Trust
- Overseeing audits, contracts, insurance, and investments
- Acting as Company Secretary and ensuring compliance with legal duties
- Ensure statutory and regulatory returns are delivered as required

Headteachers and Unit Heads:

HISP Multi Academy Trust in 2025 consists of 8 schools, 2 Teaching School Hubs, a Maths Hub, Inspiring Future Teachers Provision, HISP Teacher Training Hub and a Central Leadership Team for the Trust, which supports areas of shared provision across the whole Trust.

Each of the schools are led by a Headteacher, or Executive Headteacher and other areas, considered business units, have a Lead, who for this document we will call Unit Heads/Leaders – They are accountable to Trustees for their School or Unit annual budget, and responsible for working within budget as set, monitoring regularly and taking action to address any variances to deliver the agreed outturn.

Internal Auditors

Appointed by the Audit Committee, they conduct annual reviews to assure:

- Proper discharge of financial duties
- Efficient use of resources
- Robust internal controls
- Sound financial decision-making

They report findings to the Audit Committee after each review.

Additionally, internal auditors may deal with areas of risk, which may not be financial (eg. H&S)

External Auditors

Appointed by Members on the Board's recommendation. They assess whether our annual accounts provide a true and fair view.

Auditor contracts must be retendered every 5 years. Early removal requires Member approval and DfE notification.

Other Staff

All staff have a role in safeguarding Trust resources Headteachers and Unit leaders are accountable for managing their delegated budgets in line with the Trust's Scheme of Delegation.

. Staff are expected to:

- Protect Trust assets
- Use resources efficiently
- Follow all financial procedures

Job Title	Key Finance Responsibilities
Head of Finance, Financial Accountant and Finance Business Partners	<ul style="list-style-type: none"> • Lead the transactional finance team, ensuring compliance with finance policies and the Scheme of Delegation • Support Headteachers and Unit heads to deliver agreed budgets, monitor monthly and highlight variances • Review budgets, monitor forecasts, and deliver standardised financial reports to schools • Support annual budget setting with school and unit leads, monitoring, and submission of returns and forecast outturns • Oversee accurate payroll processing in coordination with the People team • Liaise with internal and external auditors • Authorise transactions as required

	<ul style="list-style-type: none"> • Complete month-end processes and lead schedules for designated academies • Manage intercompany transactions • Act as System Administrator for the accounting/budgeting software • Raise financial concerns to the CFO • Verify monthly payroll against budget and report variances to HR, Payroll & Pensions Manager, and school/unit leaders • Prepare and sign off VAT returns, including partial exemption calculations • Ensure correct coding and budget structures per DfE chart of accounts • Maintain staff pecuniary interest records
Senior Finance Assistants / Finance Officers Finance Assistants (as appropriate to grade)	<ul style="list-style-type: none"> • Support Finance Business Partners to complete month-end procedures • Complete bank reconciliation process • Ensure various income streams are currently accounted for, including Trip and Hub Funds • Input direct invoices and purchase order invoices • Prepare paylists • Process internal recharges and journals • Process and reconcile E-payments to Implicit • Count and reconcile / bank cash collected • Provide debtor collection assistance • Raise sales invoices/perform credit control • Input Finance and Accounting transactions. • Process and reconcile credit card transactions.
HR/Payroll data administrator	<ul style="list-style-type: none"> • Ensure correct input of HR / Payroll paperwork in line with procedures, ensuring correct sign off • Maintain contract details pertaining to pay on employee records • Ensuring paperwork passed to and is correctly signed off by People Partners and Finance Business Partners before actioned.
Budget Holders	<ul style="list-style-type: none"> • Budgetary sign-offs in line with financial delegations
Headteachers/Heads of Units	<ul style="list-style-type: none"> • Overall budget holder for school/unit area • Delegate budgets to budget holders from agreed budget • Deliver agreed budget and monitor monthly, taking recovery action as appropriate supported by Finance Business Partners
Department / Function Budget Holders as assigned by the CEO or Headteacher or Unit Leader	<ul style="list-style-type: none"> • Authorisations as set out in financial delegations • Authorise invoices for payment / confirm receipt of goods • Monitor spends against allocated budget and work within assigned budget parameters, taking recovery action as appropriate
All Staff	<ul style="list-style-type: none"> • Responsible for the security of school property, for avoiding loss or damage, for ensuring economy and efficiency in the use of resources and for conformity with the requirements of the financial procedures

Register of Interests

To ensure transparency and avoid conflicts of interest, all Members, Trustees, Academy Committee members, and staff with financial decision-making powers must declare any financial interests in companies or individuals from whom the Trust may purchase goods or services.

- The register includes directorships, shareholdings, or influential roles in relevant organisations, and must also cover interests of close relatives (e.g., spouse, partner, parent) where influence may be exerted.
- The register is publicly accessible. Member and Trustee interests are published on the Trust website and maintained by the Governance Professional.
- Staff with budgetary authority must declare any interests annually for recording in the finance system.

Declaring an interest does not replace the duty to disclose any relevant interest during meetings. Anyone with a declared interest must withdraw from discussions or decisions on that matter.

Related Party Transactions

A related party includes individuals or entities with influence over the Trust (e.g., key staff, their close family, parent, or subsidiary companies).

- All contracts or agreements with related parties must be reported in advance to the DfE using the online related party form.
- Prior DfE approval is required for any related party contract over £40,000 (cumulative within a financial year), effective from 1 September 2023.
- Exceptions: contracts with state-funded schools, colleges, universities, or other academy trusts acting as sponsors.

3. Accounting System

All financial transactions must be recorded in **Iplicit** (formerly **IRIS Financials** until 31 August 2024), our cloud-based financial system.

System Access

Access is restricted, managed by the Head of Finance, and protected by multi-factor authentication via single sign-on.

Financial Controls & Segregation of Duties

Finance roles are assigned by the Head of Finance and Finance Business Partners to ensure clear segregation of duties, minimising risks of fraud or error. Responsibilities are defined in staff role descriptions and reviewed regularly.

Transaction Reporting

The Financial Accountant reviews system reports to confirm transactions are appropriate. These include:

- Audit trail and bank reconciliation
- Trial balance and supporting schedules
- Consolidated management accounts showing income/expenditure against agreed budgets

Reconciliations

Monthly reconciliations are completed by Finance Business Partners and reviewed by the Financial Accountant, including:

- Sales and purchase ledger control accounts
- Payroll control account
- Suspense accounts
- Bank statements matched to the nominal ledger

Any irregularities or unresolved balances must be reported to the CFO or Head of Finance. All reconciliations are signed off monthly by the Financial Accountant.

4. Financial Planning

Our Trust prepares short- and medium-term financial plans that are either balanced or use reserves in line with our delegated framework and reserves policy. Medium-term financial plans (three years) align with school development plans and resource expectations.

Annual budgets are based on these plans and outline expected income and expenditure for the year ahead. Decisions on school-level development plans and budgets follow the scheme of delegation. Financial benchmarking (using ISBL metrics) and Integrated Curriculum Financial Planning (ICFP) reviews are conducted annually to inform planning.

Annual Budget Setting

Budget allocations are initially agreed by ELT. The CFO, supported by the Head of Finance and Finance Business Partners, prepares and consolidates the annual budget information. This is reviewed by the Finance and Resources Committee before final approval by the Trust Board in July/August this is submitted to the DfE by the end of August.

The budgeting process, starts in February, and incorporates:

- Pupil number forecasts to estimate DfE funding
- Review and update on likely funding
- Trust wide assumptions for pay awards and inflationary increases
- Review of additional income sources
- Analysis of past budget performance
- Identification of efficiency savings within unit
- Review of shared services and MAT-wide costs

Balancing the Budget

Trust budgets must be balanced unless a planned use of reserves is approved by Trustees. Activities may need to be reprioritised or deferred if budgets do not balance. Budgets that do not balance threaten the financial sustainability of our Trust as whole, as such financial delegations may be withdrawn by Trustees if there is concern about budgetary control.

Formal budget forecast revisions are prepared in **January, April, and June**, with explanations for all variances or virements. If surplus funds arise through savings during the budget period, schools may reinvest via 'save to spend' initiatives after covering any overspends.

Proposing the 3 year budget plan

Headteachers and Unit Leads and Finance Business Partners, recommend areas of planned expenditure to ELT by June in line with budget allocations, these will have appropriate input from other operations areas (eg. HR/Operations). These feed into a consolidated draft prepared by the CFO for Trustee approval.

Recommendations must be:

- Realistic and well-supported information
- Aligned with Trust priorities
- Affordable

Once approved, the budget is shared with relevant staff, who must adhere to their spending responsibilities and delegations. Budgets must state assumptions and prioritise spending to enable responsive adjustments. The forecast budget is a live document, reviewed and updated three times a year and compared against the current year agreed budget.

Monitoring and Review

Monthly budget reports are produced by the Financial Accountant, Head of Finance and Finance Business Partners, showing income and expenditure against budget. Reports are shared with:

- Unit Heads and Budget holders
- CFO, CEO, and Trust Board (summary view)
- Chair of Trustees (monthly)
- Trustees (six times per year)

Finance Business Partners flag any potential overspends to budget holders and escalate serious issues to the Head of Finance, ELT, or Trustees, along with recovery actions. Monitoring must be timely and accurate, enabling swift investigation and action. Budget virements must follow delegated approval processes.

Financial Deficit Recovery Plan If a school or unit's delegated budget is forecast at review not to be in line with the agreed budget, budget holders may be asked to complete a recovery action plan to address. Plans are agreed by ELT and overseen by the Head of Finance and aim to restore financial stability to the Trust promptly.

5. Payroll

The main elements of the payroll system are:

- staff appointments to an agreed staffing structure
- payroll administration
- payments to staff

Organisational Structures

New staff roles within the budgeted organisational staffing structure approved by Trustees need approval as defined by the scheme of delegation.

The Headteacher has authority to appoint staff within the approved budget structure as stated in the scheme of delegation. Vacancy approvals must be signed off operationally by the, People Education Partner and Finance Business Partner and signed by Unit Leader. As with any variations to existing roles, this ensures correct budgetary monitoring and that contractual and pay

changes are actioned and recorded. Any potential regrading or role evaluation must be undertaken as stated in the scheme of delegation.

Payroll Administration

The Trust payroll is administered externally by MHR on behalf of HISP Multi Academy Trust.

All staff are paid monthly. New starters will be entered onto the payroll system recording:

- Salary,
- bank account details,
- taxation status,
- personal details,
- any deductions or allowances payable.

Overtime / additional hours will be processed one calendar month in arrears unless agreed by exception.

A monthly payroll operation process is reviewed annually by the Trust Payroll and Pension Manager and shared with relevant HR and Finance Staff

Unit payrolls are authorised by Finance Business Partners, and overall by the Payroll and Pension Manager.

Authority to release payment will be by made the CFO or Executive Director of People. By exception, the Head of Finance will cover annual leave or sickness.

All salary payments are made by BACS by MHR on the date as specified staff employment terms.

Payments to individuals outside of payroll

Our Trust has a legal duty to assess whether individuals working through their own limited companies (often called personal service companies) should be treated as employees for tax purposes under the **IR35 legislation**. If IR35 applies, we must deduct income tax and National Insurance contributions from payments made, just as it would for a regular employee, to do this the individual would need to be processed on MHR through payroll this ensures that all workers pay the correct amount of tax. The finance team will support in carrying out and recording an assessment through the HMRC website. Failure to do so may result in HMRC action against the Trust. Guidance can be found within the Appendix.

6. Purchasing Guidance

General

As a publicly funded body any purchase must have regard for novel and contentious transactions guidance in the Academy Trust Handbook. Novel and contentious transactions refer to transactions that are unusual or outside of the organisation's typical business activities, and those that are likely to generate public criticism, respectively. Novel transactions are those the entity has no prior experience with or are outside its normal range of operations. Contentious transactions are those that could spark debate or criticism from the public, Parliament, or the media. Advice on financial transactions they may be classed as novel or contentious should be sought from the Executive Director of Finance.

In accordance with the Academy Trust Handbook, the purchase of alcohol using Trust funds is strictly prohibited **under any circumstances**, including as part of meals, hospitality, or staff events. Any claims that include alcohol will not be reimbursed. Purchases of alcohol are reportable as a breach of regulation to the DfE and may result in disciplinary action.

As a publicly funded body, our Trust is classified as a "Contracting Authority" under the Procurement Act 2023, the Public Contracts Regulations (PCR), and the Bribery Act 2010. All procurement activity must also comply with Department for Education (DfE) guidance.

Policy

This guidance must be read alongside the Procurement Policy. All non-contracted goods and services must be ordered via our purchase order system and approved in line with delegated authorities.

Contract Management The Head of Finance maintains a contract register (value, dates, notice periods), updated by Finance Business Partners and reviewed monthly to maximise efficiencies and opportunities for Trust-wide contracts.

Quotation Requirements

- Up to £4,999: One quote
- £5,000 - £9,999: Two quotes
- £10,000 - £49,999: Three quotes Quotations must be saved with the purchase order or invoice.

Purchase Thresholds

- Low value: £0 - £4,999
- Medium value: £5,000 - £49,999
- Medium-high value: £50,000 - £99,999
- High value: £100,000+ (but below PCR threshold)

Single-award tenders require a completed justification form.

PCR Procurement Threshold

- Goods/services: £214,904
- Education-specific services: £663,540 (light-touch regime) Trust Professional Services will seek legal advice to ensure compliance where necessary.

Examples of education-specific services under PCR (Light Touch Regime):

These typically include services closely related to the delivery or support of education, such as:

- Educational consultancy services
- Tutoring and specialist teaching support
- Counselling and pupil wellbeing services
- SEN (Special Educational Needs) support services
- Work-based learning or apprenticeship programmes
- School improvement or leadership development programmes
- Music, sport, or arts enrichment services linked to the curriculum
- Pupil or staff training programmes (when tailored to education)

Framework Agreements Pre-approved public sector frameworks should be used for procurement over £50,000 and below PCR threshold to ensure value and efficiency. Budget Holders are authorised to select an approved framework in line with sign offs.

Contract Valuation

We calculate contract value by estimating the total cost over its full duration, including any potential extensions and related fees. Contracts must not be artificially split to avoid procurement thresholds.

Example: Procuring cleaning services for multiple schools in phases to delay triggering a higher procurement threshold is not permitted. However, if two Trust schools require similar services at different times due to unrelated needs or timelines (e.g. one school requires services in September and another in April due to building works), and the requirements are genuinely separate, these may be procured independently with justification documented.

Tenders For procurement over £50,000 and used only when frameworks are not suitable and with legal advice. We follow a structured tendering process, including market assessment, specification development, advertising, evaluation, and notification. Records are kept at each stage, and legal guidance is sought if challenges arise.

Evaluating Suppliers All quotes and tenders are assessed based on published criteria, typically including cost, quality, delivery, performance, and risk.

Low/Medium Value Tenders (Outside Frameworks) Steps:

1. Create specification
2. Shortlist 3+ suppliers
3. Request and evaluate written quotes
4. Place order with best value supplier

Purchase Orders

Procurement procedures for our Trust require purchase orders to be raised. This ensures that

- Requisitions are approved in accordance with the Scheme of Delegation
- Official orders are raised in respect of all goods, services and works required by the Trust (except for those specifically exempted);
- Only goods, services and works required by the Trust are actually ordered;
- Competitive quotations or tenders are obtained for all orders where the value of goods, services or works, individually or for a series of contracts, would exceed the relevant financial thresholds;
- Orders for goods, services and works are placed with the most appropriate suppliers in terms of cost, quality, delivery, etc.;
- Goods, services and works received are in accordance with those ordered;
- Payments are made only in respect of invoices authorised in accordance with the approved Scheme of Delegation and the Trust's funds are adequately safeguarded;
- All payments are accounted for properly, promptly and in full;
- Relevant, timely and accurate management reports on expenditure is produced; and
- Adequate physical and logical security is in place.

Purchase Orders will be raised by a finance or administration assistant within the finance system, with budget holder sign off and will be referenced with a number and sent to the supplier. Goods should be checked on arrival and discrepancies addressed immediately. Rejected goods must be notified to finance.

Managing and Adding Suppliers

Purchase orders, contracts and payments should only be raised which have passed Trust supplier vetting procedures and have been added to the finance and procurement system.

New suppliers may only be added to finance and procurement system following completion of a new supplier form.

All existing suppliers will be vetted on a 3-year cycle, and made 'dormant' in the finance system in the event that they fail to pass the vetting process, are no longer trading with the Trust, or have not been used for more than one year.

Trust staff requisitioning a purchase order should satisfy themselves that we hold written assurance (vetting certification, company letter on headed paper) to identify contractors have appropriate photo identification / DBS clearance as required, before they are permitted to enter a site and before an order is raised. The Trust has issued guidance for the safeguarding of pupils whilst contractors are on site which must be followed.

Invoicing & Payment Invoices are authorised only if:

- Goods/services were received
- They match the order and quality standards
- The price is correct

Invoices linked to POs with confirmed receipt don't need separate sign-off. Non-PO invoices are restricted to predefined cases (Appendix 1) and must be contract regulation compliant.

Exceptions Some recurring invoices, that may be over normal school delegated limits can be signed off at the school level where they are within agreed budgets and tracked as correct by designated staff.

These are:

Contracted Services or Service Level Agreements are awarded for a period of over 12 months, where the original contract was signed off at the required delegated level (Utilities, Cleaning, Catering, or others as long as registered on the Trust Contract Register)

Invoices for Exams, Music provision or Trips within schools

Payment Process & Fraud Checks Payments are processed via BACS and must be authorised by a bank signatory not involved in the original transaction. Bank detail changes must be verified via a trusted contact method, recorded, and uploaded to our system.

7. Income

Our Trust's main income comes from Department for Education (DfE) grants. These are monitored and reconciled by the Head of Finance and Finance Business Partners to ensure accurate collection.

Additional income sources include:

- Student payments (e.g., trips/meals) are covered by local charging and remissions policies
- Teaching school activities (DfE/other Schools)
- Public lettings
- Donations

Trust Charging and Remission Policy Statement:

As a multi-academy trust, we are committed to ensuring that access to education is not restricted by a pupil's financial circumstances. Each school within the Trust is required to adopt a Charging and Remissions Policy that aligns with this overarching Trust statement and complies with legal requirements under the Education Act 1996.

Trust-Wide Principles

- No charge will be made for education provided during school hours (excluding optional extras).
- Voluntary contributions may be requested for certain activities, but no child will be excluded if they cannot contribute, this must be factored into school budgets.
- Charges may be made for:
 - Board and lodging on residential visits
 - Optional activities outside school hours
 - Individual instrumental/vocal tuition not part of the curriculum
 - Materials or ingredients where parents wish to own the final product
 - Lettings of school property, charges will be set out by schools and recorded within the accounting system

Remissions

- Schools must offer full or partial remission of charges for board and lodging on residential visits for pupils whose parents are in receipt of qualifying benefits.
- Each school must set out the criteria for additional remissions at their discretion and communicate this clearly to families.

Local Policies

- Each school must publish its Charging and Remissions Policy, reviewed annually by the Local Academy Committee and approved in line with the Trust's Scheme of Delegation.
- Policies should ensure consistency, transparency, and compliance with this Trust statement.

Oversight

- The Central Finance Team will periodically review local school policies to ensure alignment and monitor the application of remissions to safeguard equity across the Trust.

Investment and Banking

Custody of Income

- Cash/cheques must be stored securely in a safe before banking.
- Banking should occur monthly or more frequently if insurance limits are exceeded.
- All income must be banked in full. Reconciliations are performed by Finance.

Cash Management

- Bank accounts are approved by the Trust Board, including BACS and transfer arrangements.
- All deposits must be recorded with amount and reference.

Signatories

- Authorised signatories: CEO, CFO, Head of Finance, Financial Accountant

Bank Reconciliation

- Bank statements are reconciled monthly by Finance and independently reviewed.

Petty Cash held locally

- Limit: £250 (more temporarily if multiple trips occur).
- Max payment: £25 unless approved by the Headteacher.
- Transactions must be recorded, and surprise cash counts carried out.
- Petty cash is stored in a locked box within a safe.

Investments

Cash balances in excess of working cashflow requirements will be invested as stated in the Investment Policy

8. Fixed Assets and Capitalisation

Asset Register

Assets over £5,000 with a life over 12 months must be recorded in the fixed asset register, maintained by the Financial Accountant. Each record includes:

- Description and asset number
- Acquisition date and cost
- Useful economic life
- Depreciation and current book value

The register helps ensure asset security, usage planning, audit accuracy, and supports insurance claims.

Items spent from revenue budget that meet the capitalisation criteria and are recorded on the Fixed Asset Register must have a corresponding full transfer of the value, from the revenue fund to the fixed asset restricted fund in line with the Academy Accounts Direction – this is a different condition to private businesses that capitalise fixed assets. Please check with the finance team if in doubt.

Asset Security

- All portable assets within schools should be visibly marked as Trust property.
- An independent stock check must be done annually.
- Discrepancies must be investigated and reported to the Headteacher.
- Items not owned by the Trust but used on-site must be noted.

Disposals of Fixed Assets

- Disposal must be authorised by the CFO.
- DfE approval is needed to dispose of assets bought with capital grants over £20,000 or any land.
- Disposal to staff is discouraged due to value-for-money and licensing issues.

Loans of assets not intended for business use

- Items must not leave Trust premises without Headteacher approval.
- All loans must be recorded and monitored. Long-term loans may trigger tax implications and must be reviewed.

Portable / Mobile Assets

- Items between £500–£5,000 are recorded on local inventories and reviewed annually.
- Disposals must be approved by the Headteacher and shared with the Finance Business Partner.
- Loans of these items are also subject to benefit-in-kind tax reviews.

9.Capital Income and Expenditure (Restricted Fund)

Capital income

- **Devolved Capital – school allocation**
- **School Conditions Funding – Allocation for all schools within the Trust**

Capital Expenditure

Capital Income must be spent on projects capital in nature and follow DfE terms of grant updated annually, these may or may not be capitalised. Both types of capital income are time limited.

Appendix

1: Financial Delegation Values– in conjunction with Scheme of Delegation

Prepared by: Executive Director Finance/ELT

2025 revisions:

General	Refresh of language/Updates as per annual audit recommendations
Financial delegation limits in line with Scheme of Delegation	<p>Increased Headteacher/Unit Head to £20,000</p> <p>Increase Single ELT Member to £50,000</p> <p>Added single ELT Member and CEO to £100,000</p> <p>Increased Trust Board (or delegated committee) to be over £100,000</p>
DfE	Values/Items added per Academy Trust Handbook

Duty/Task Delegated	Value	Delegated Authority
Ordering Goods and Services (raising requisitions)	Up to £1,000 (Primary)	School/Unit Budget Holder as delegated by School Headteacher or Unit Lead
	Up to £3,000 (Secondary)	
	£1,001 or £3,001 to £20,000	<p>School SLT member as Delegated by School Headteacher or Unit Lead</p> <p>Trust Business Partner/Head of Finance</p> <p>Where within agreed budget</p>
	£20,001 to £50,000	ELT Member within agreed budget
	£50,001 to £100,000	CEO + ELT Member within agreed budget
	£100,000 above	Trust Board or Delegated Committee
	Authority to accept other than lowest quotation or tender	In line with authorisation above to 'next level'
Signatories for DfE grant claims and DfE returns	Any	<p>As stated by DfE: ordinarily:</p> <p>Chair of Trustees</p> <p>CEO (Accounting Officer)</p> <p>Executive Director of Finance</p> <p>Head of Finance/Financial Accountant</p> <p>Headteacher</p>

Virement of budget provision between budget heads	Up to £20,000 with no impact on overall budget	Headteacher Finance Business Partner
	Up to £50,000 with no impact on overall budget	CEO or Executive Director
	Over £50,001 up to £100,000 with impact on overall budget	Finance and Resources Committee (or Trust Board)
	Over £100,001 with impact on overall budget	Board of Trustees
Disposal of assets (with reference to Academies Financial Handbook)	Up to £10,000	CEO
	£10,001 to £50,000	As above plus Finance and Resources Committee
	Over £50,001	Board of Trustees
Write-off of bad debts (With reference to Academies Financial Handbook)	Up to £10,000	CFO
	£10,001 to £25,000	As above plus CEO
	£25,001 to £45,000 (or 1% total annual income whichever is smaller)	As above plus Finance and Resources Committee / Trust Board
	Over £45,000 (or 1% total annual income whichever is smaller) cumulatively, 2.5% of total annual income (subject to a maximum of £250,000) in any financial year per category of transaction for trusts that have not submitted timely, unqualified accounts for the previous 2 financial years - this category includes new trusts that have not had the opportunity to produce 2 years of audited accounts cumulatively, 5% of total annual income (subject to a maximum of £250,000) in any financial year per category of transaction for trusts that have submitted timely, unqualified accounts for the previous 2 financial years	As above and DfE approval must be sought in advance
Purchase, Sale, or write off of any freehold property	Any	DfE approval required

Granting or take up of any leasehold or tenancy agreement exceeding seven years	Any	DfE approval required
Ex gratia Payments	Any	DfE approval required
Staff Severance or Compensation payment where non-statutory/non-contractual	£50,000 or more before tax (approval required in advance).	DfE approval required
Bank Loans or overdrafts	Any	DfE approval required
Related Party Transaction	£20,000	DfE approval required

2: Procurement Policy

Prepared by: Executive Director Finance/Executive Director Operations

General	Updated with Procurement Act guidance
	Added guidance around Safeguarding and contractors linked to safeguarding policy

1. Introduction

This policy sets out the agreed principles for the procurement of goods, services, and works by HISP Multi Academy Trust. It ensures that procurement decisions deliver best value for money, comply with legal requirements, and support the Trust's strategic objectives.

2. Legal and Regulatory Context

This policy complies with:

- The Procurement Act 2023
- The Public Contracts Regulations 2023
- The Academy Trust Handbook
- The Trust's Articles of Association and internal financial regulations

All procurements are subject to UK legislation and must comply with public procurement principles of transparency, fairness, integrity, non-discrimination, and competition.

3. Procurement Objectives

In accordance with Section 12 of the Procurement Act 2023, all procurement must be conducted to:

- Deliver value for money
- Maximise public benefit
- Share information to allow oversight
- Act with integrity and impartiality

These principles guide all HISP Multi Academy Trust procurement decisions and practices.

4. Procurement Thresholds and Procedures

Procurement thresholds are determined in accordance with the Procurement Act 2023 and the Public Contracts Regulations 2023. The thresholds (at the time of review) are:

Contract Type	Threshold (<u>inclusive</u> of VAT)	Procedure
Supplies and services (non-central)	£213,477	Regulated procurement
Works contracts	£5,372,609	Regulated procurement
Light-touch services	£663,540	Regulated procurement (with flexibility)
Thresholds are updated regularly by the Cabinet Office.		

Procurement Procedures:

- **Below Threshold:** Follow Trust's internal procedures with proportionate competition as outlined the purchasing section.
- **Above Threshold:** Use either the Open Procedure or the Competitive Flexible Procedure as defined under the Procurement Act 2023.

Where the estimated value of a contract exceeds the relevant threshold, a compliant procurement procedure must be conducted using the **Central Digital Platform (CDP)**.

5. Best Value and Efficiency

The Trust will always seek to achieve best value for money and quality. Considerations include whole-life cost, sustainability, and social value.

6. Roles and Responsibilities

- **Board of Trustees:** Overall accountability for procurement policy.
- **Accounting Officer:** Ensures procurement is compliant and value-driven.
- **Chief Finance Officer:** Advises on procurement and oversees financial compliance.
- **Headteachers/Executive Directors/Unit Heads/Heads of Service:** Manage day-to-day procurement decisions within delegated authority levels.

7. Internal Controls and Approvals

Procurement must follow the Trust's Scheme of Delegation and Financial Regulations. All purchases must be approved in accordance with delegated limits.

8. Quotation and Tendering Requirements

The below totals are calculated based on the duration of the contract or totality of procurement project.

Estimated Value	Minimum Requirement
< £10,000	One written quote
£10,000 – £50,000	Three written quotes (where possible)
> £50,000	Formal tender process/Framework

Above-threshold procurement must follow public procurement rules and be advertised on the CDP. The award of any contract over £75,000 must be agreed by the Trust Board or delegated committee.

9. Framework Agreements and Preferred Suppliers

Frameworks can be used where they provide compliant and cost-effective access to goods or services. Any framework used must be:

- Legally compliant
- Value for money
- Aligned with Trust procurement objectives

Dynamic markets, replacing Dynamic Purchasing Systems (DPS), may be used in accordance with the Procurement Act 2023.

[Buying for schools: find an approved framework agreement - GOV.UK](#)

10. Committing Expenditure

Any procurement which involves committing the Trust to expenditure must be approved in accordance with the Scheme of Delegation. Any member of staff placing an order on behalf of the Trust must be sure that they have the correct level of authority.

11. Contract Management and Monitoring

All contracts should include clear deliverables, milestones, and review clauses. Contracts over £50,000 must be actively managed by a named person.

Contracts for over 12 months and value over £5,000 need to be recorded on the Contract Register held by the Head of Finance

12. Transparency and Publication Duties

In accordance with the Procurement Act 2023, the Trust will publish the following on the Central Digital Platform:

- **Transparency Notice** (prior to direct award)
- **Contract Award Notice** (within 30 days of award)
- **Contract Details Notice** for contracts over £5 million
- **Pipeline Notice** for procurements planned over £2 million

13. Record Keeping

Procurement records must be retained for at least six years and include:

- Specification
- Evaluation criteria
- Tender submissions
- Evaluation reports
- Contract documentation
- Communication with suppliers

14. Conflict of Interest and Ethical Standards

All individuals involved in procurement must:

- Have completed a declaration of interest
- Avoid and report actual or perceived conflicts of interest
- Act in accordance with the Trust's Code of Conduct and the Procurement Act 2023

Any breach must be reported to the CFO and may lead to disciplinary action.

15. Dispensations

In limited circumstances a dispensation from the requirement to obtain alternative quotes may be granted. This may include authority to solicit a single quotation, to award a contract or place an order without having obtained the requisite number of tenders or quotations or to directly award a contract.

All dispensations require prior approval from either the Executive Director of Finance or Executive Director of Operations before progressing and must not result in a breach of procurement legislation or be contrary to the Scheme of Delegation.

Dispensations from competitive quotations / tenders must not be used to avoid competition, for administrative convenience, or to award fresh / further work to a supplier originally appointed through a competitive procedure

Full details of the circumstances and reasons where a dispensation may be granted are included below.

- Sole supplier due to technical requirements;
- Limited field of suppliers / providers and no possibility of our requirements being met in any other way;
- Emergency that might pose a risk to the school;
- Compatibility issue;
- An extension is required to a current contract to allow sufficient time to complete a competitive tendering exercise (but failure to have planned the re-procurement would not be justification for a single tender); and
- Where the seeking of tenders and subsequent contract award could cause significant operational difficulties and where any potential savings would be outweighed by those operational issues (which along with a VFM analysis must be documented) and only for use in circumstances to be approved in accordance with the Scheme of Delegation, under the specific advice of the Executive Director of Finance or Executive Director of Operations in terms of compliance with UK legislation and subject to approval by the CEO and subsequently reported to the Board of Trustees.

The Contract Award and Exceptions Form which records the reason(s) for seeking and granting / declining of dispensations will be kept on file with the relevant order for a minimum of three years.

16. Agreeing Contracts and Terms & Conditions

All procurement should be carried out using the Trust terms and conditions. There may be certain exceptions to this where the use of an established framework or access to specific software requires it. In any case any departure from Trust terms and conditions must be approved by the Executive Director of Finance / CFO or Executive Director of Operations before agreement is made.

Any agreement, contract or lease for capital equipment or services over £10,000 and under £75,000 with a

supplier or contractor which requires a signature must be signed by a member of ELT or a Trustee if over £75,000 (excluding general orders for goods and services), should be forwarded to Head of Finance or Head of Estates for review prior to signature. Complex contracts will be reviewed by the Trust solicitor.

Note that a signature on an agreement or contract, or even an email response indicates that the Trust accepts the supplier's terms and conditions which may not be favourable but are binding, so should always be checked.

17. Payment and Payment Terms

All invoices from suppliers should be entered on to the finance system, and when approved, are paid by BACS.

The Trust's payment terms are 30 days following receipt of a correct invoice, unless alternative arrangements have been agreed prior to the order being raised and the Finance Team made aware.

Where purchases are made using established frameworks, payment and other terms and conditions are likely to be those of the framework so should be checked.

Invoices are considered received for reporting purposes as at the date of invoice.

18. Leases and Lease Agreements

Academies must not enter into any finance lease not listed on the DfE website as approved by the Secretary of State as this would be in contravention of the Academy Trust Handbook.

19. Anti-Bribery

The Trust is aware of The Bribery Act 2010, which came into force in April 2011. To meet our obligations under the Act, the Trust assesses (annually) the risk of bribery in the context of existing controls over expenditure, accounting and commercial contracts.

20. Hospitality and Gifts from Suppliers

The Trust policy is not to accept any form of gift or hospitality from suppliers. Full details are included in the Register of Business Interests which is completed on an annual basis by all staff and Trustees.

21. Security of Information

All suppliers or third parties that require access to the Trust or academy information systems as part of their services must comply with the requirements of Central ICT.

Staff responsible for agreeing maintenance and support contracts must ensure that prior to contracts being signed the supplier / third party meets the requirements of the Trust IT services and comply with Trust safeguarding and security policies.

In the event of the contract being transferred or terminated, appropriate provisions must ensure the continued security of information and systems.

22. Health, Safety and Safeguarding

When procuring any goods, services or works, Trust staff must check that suppliers are suitably experienced and qualified to undertake the work required.

Where building or maintenance works are planned, suitable risk assessments and / or method statements must be in place.

All services, supply and works procured by the Trust must comply with the relevant UK Health and Safety legislation in force at the time the items are procured.

Where required by legislation, products (including used or refurbished products) must comply with the relevant UK Laws on the design, supply and operation of products.

The Head of Estates and Health and Safety should be consulted for advice where the person procuring is unsure

The Trust has issued guidance for the safeguarding of pupils whilst contractors are on site which must be followed.

23. Auditing

Our Trust is subject to scrutiny by internal and external auditors as well as the DfE and other statutory organisations. It is the responsibility of everyone involved in the procurement process to ensure that they comply with current policies, procedures, guidance and legislation contained in this policy and corresponding guidance.

24. Review and Monitoring

This policy will be reviewed as part of the Finance Policy and Procedures Manual or following any legislative changes. The Audit & Risk Committee will monitor compliance with procurement policy and escalate any concerns to the Trust Board.

3: Employee Expenses Policy

Prepared by: Executive Director Finance/Executive Director People

2025 updates

General	Refreshed wording
Expenses	Definition for types of business expenses
Isle of Wight	New Section added for travel/relocation specifically linked to Isle of Wight

Sometimes staff may incur expenses while carrying out their duties and as employer, our Trust is committed to reimbursing all reasonable and necessary costs as swiftly as possible, in line with principles of value for money and public accountability. Claiming expenses however, should not be a method of bypassing normal procurement methods.

At HISP we separate employee expenses into two categories:

Travel Expenses – Mileage, business travel excluding accommodation which may have tax and national insurance reporting obligations

General Expenses – anything spent not in the course of business travel

Other Expenses – Claims employees can access from their school/unit if applicable

Submitting Expense Claims:

Forms for both types of expense can be found **XX**(insert link)

Business Travel:

Business Travel Expenses authorised claims should be supplied to your HR/Payroll data administrator by 10th month, cover the period of the previous month and is reimbursed through payroll. Failure to claim per guidance may result in the claim not being paid due to payroll cut off dates.

- Staff must use the most efficient and cost-effective travel option and plan regular business travel in a way to minimise the cost to the organisation (e.g. combining trips/meetings, and giving due regard to meet virtually rather than in person if appropriate)
- First class travel is not permitted unless it is demonstrably cheaper and pre-approved by Headteacher/Head of Unit.
- Use of a private vehicle for Trust or school business is reimbursed at the HMRC-approved tax-free rate, private vehicles must have insurance that covers the driver for use in the course business:
 - 45p per mile for the first vehicle (up to 10,000 miles) 25p per mile thereafter
 - +5p per mile per HISP employee passenger
- Business Travel that commences from home **MUST** deduct normal commuting miles (i.e.. your Home to you place of work) **This may mean no reimbursement is required for the journey** – overclaims will be deducted from future payments and if deemed to be fraudulent may result in disciplinary action.
- Public transport (standard class only), parking fees, and tolls will be reimbursed with valid receipts and an approved claim form.

- Employees should plan regular business travel in a way to minimise cost to the organisation where possible to ensure efficient use of resources.
- Approval for Business Travel should be made by line managers in advance and any claims checked and signed by both employee and line manager and supported by receipts.
- Subsistence claims will rarely be required unless in exceptional circumstances agreed by Headteachers/Head of Unit, where they must not exceed £25 in any 24 hour period.
- Alcohol must not be purchased

Accommodation - Where overnight stays are required for work:

- Accommodation: Should be reasonable and cost-effective, not exceeding 3 stars and should be capped at £80 unless pre-approved by the Headteacher/Head of Unit stating the reason.

Expenses incurred for business travel to the Isle of Wight

To provide fair and consistent support for staff incurring additional travel expenses due to work-related travel between the mainland and the Isle of Wight. This section outlines the standard reimbursement benchmarks or travel allowance rates for ferry costs.

Temporary/ad hoc Arrangements (HMRC deem temporary as a fixed term of less than 24 months)

Staff commuting or travelling temporarily to/from the Isle of Wight as foot passengers may request purchase of ticket via HISP business accounts a standard allowance or reimbursement and claim taxi cost from the port to school base. Travel from home to the mainland port will be considered a temporary commute.

Travel by car to the Island where necessary (e.g. for transporting equipment, site visits across the island) or deemed cost effective due to group arrangement and may request purchase of the ticket via HISP business accounts. Mileage may be claimed for the journey with the normal deduction of home to work mileage.

Long term arrangements that are expected to be less than 24 months may do the above or a taxable travel allowance may be agreed for leadership roles due to differing requirements this will be capped at £16,575pa.

Permanent appointments to schools on the Isle of Wight

Attraction and Retention – Isle of Wight Travel Considerations

We recognise that working on the Isle of Wight presents additional travel and, in some cases, relocation costs for mainland-based staff. In light of this, and to support recruitment and retention in hard-to-fill roles, the organisation may offer a package of time limited travel allowances, a temporary supplement, or a one off relocation support payment of £8,000 where it is necessary to attract staff to work on the Island in specialist roles.

Any supplement must be **time limited to 12 months** before review and these provisions are reviewed regularly and are intended to ensure equitable access to roles across all locations while recognising the unique logistics and costs associated with Island-based posts.

Permanent positions filled by specialist staff not yet ready to relocate may be offered an annual season ticket (Red Funnel, Wightlink or Hover) 12 months + up to 30 overnight stays up to a value of £85 per night for late night school events, (extended in exceptional circumstances for a further 12 months only with line manager approval) at which point a non taxable relocation allowance of £8000 may be requested to support moving expenses may be requested by the employee in order to re-locate.

Mileage/parking to/from ports, is considered as commute and may not be claimed separately.

Summary Travel Expense & Taxation Guidance

- Business Travel (Temporary Assignment):
 - Ferry fares and mileage are **fully reimbursable to the value of the expense and non-taxable due to the temporary nature**.
 - Receipts must be submitted with claims.
- Regular Commuting (Permanent IoW Role from Mainland):
 - Allowance is treated as a **taxable benefit** unless part of a temporary secondment to a permanent post.

Allowance Limits

- Allowances will be reviewed annually in line with ferry operator pricing and operational demand.

General Expenses

Expense for general business expenses should normally be through normal purchasing routes or a purchasing card. However, in certain circumstances this might not be possible. Business expenses purchased personally by employees must be claimed on a general expense form and processed by the finance team to ensure correct VAT is accounted for. Claims must be authorised by the budget holder and if being claimed by a budget holder, counter signed by a member of the leadership team of the school or unit. Claims can not be made without the accompanying VAT receipt being provided with the claim or general proof of purchase for claims under £100 in accordance with HMRC guidance.

Other Expenses

Eyesight Tests and Spectacles

After **6 months' service**, staff may claim:

Up to **£30** for a necessary eyesight test (typically following an Occupational Health referral or you are deemed a DSE user by the nature of your role requiring more than 80% use of display equipment).

Up to **£70** for prescription spectacles used **solely for display screen equipment (DSE)**.

Staff with less than one month remaining on their contract, or are in their notice period before leaving are not eligible to claim

Claims can only be remade after a period of 2 years has passed.

Interview Expenses

In exceptional cases, interview expenses may be reimbursed at the discretion of the interviewing lead. Claims should be made on the non-employee claim form signed by the Headteacher or unit head.

- Public transport, modest accommodation, and meals (up to meal value of £25 total per day) may be covered.
- If travelling by car, a mileage rate of 25p per mile applies.
- Receipts are required for all reimbursements.

CEO Expenses

All expense claims by the CEO, including mileage, must be approved by the Chair of Trustees before reimbursement.

4: Capital Allocation Policy

Prepared by: Executive Director Finance/Executive Director Operations/Head of Estates & Health and Safety/Head of Finance

2025 updates

General	Refreshed wording, combined all capital projects instead of separating IT and Estates Added template for project scoping
Annual Cycle	Clarity in timeline for formulating and scoping projects Updated conditions survey cycle to 5 years in line with DfE guidance

1. Purpose

As per the Department for Education's Academies Financial Handbook, HISP Multi Academy Trust is required to have an appropriate plan that demonstrates strategic use of the allocated capital funds. HISP MAT are required to report capital expenditure to the ESFA during and at the end of each financial year, Capital expenditure is also part of the yearly audit process.

At HISP Multi Academy Trust we will ensure all proposed capital projects are clearly identified using a comprehensive needs assessment which involves use of the "condition cycle" (Annex 1 of this document), this will take into consideration any Health and Safety issues, property condition, risk profile as well as any other academy improvement priorities.

Capital expenditure is detailed in the HISP Master Funding Agreement section 3.5 and includes but are not limited to:

- Major Building Repairs, Refurbishments, Adaptations, or upgrades
- Purchase of Vehicles
- Furnishings and Equipment other than necessary Repairs and Maintenance
- Installing and equipping premises with IT networks and hardware other than necessary updates due to wear and tear

The main intention of the funding is for the improvement of the condition of school buildings and grounds, prioritising safety and keeping buildings operational.

To account for capital changes correctly, all capital expenditure will be retrospectively capitalised as necessary by the finance team for each academy in partnership with trust finance lead.

The types of capital formula available to academies are listed below.

2. Devolved Formula Capital

Devolved formula capital remains based on a per academy basis. Each academy receives a lump sum based on their student numbers multiplied by the appropriate rate per student, this rate is variable year by year and is set by the DfE (Department for Education). Devolved formula capital does not have to be spent in year and can be rolled forward to fund larger projects however no school should hold more than three years' worth of allocation at a time as per DfE guidance.

Devolved Capital spend will be monitored centrally by the trust finance team to ensure it meets grant funding requirements, whilst the application of Devolved formula capital is for school level approval, the relevant trust professional service lead should be involved in scope writing and approval to always ensure best value for money and compliance.

Schools within our Trust will be given their own autonomy to decide where their allocation of devolved formula capital is spent however it is expected that headteachers will consider the wider need of the academy and use the schools condition reports along with the risk registers to make an informed decision on the allocation of funds to a project.

Approval is based on the financial sign of limits as per our Trust's financial scheme of delegation.

3. School Capital Allocation Grant

- All Multi Academy Trusts with at least 5 academies and more than 3,000 students, will receive a school capital allocation (SCA) which we can deploy strategically across the estates with the aim of addressing priority maintenance needs. Investment will be prioritised by level of risk whilst also taking into consideration health and safety issues, poor condition, compliance, and energy efficiency.
- The school condition allocations will consider all information as identified in the condition cycle. This will mean in some funding years not all academies will receive an SCA funded project, and any allocation will be in line with the funding available.
- School capital allocation replaces the condition improvement funds (CIF) bidding process for any single academies joining the trust. However, if your onboarding date falls after the CIF bidding round for that financial year you are still eligible to submit a bid under the CIF process and this would be encouraged.

4. Annual Cycle

The table below sets out the intended annual cycle and process for the application of SCA fund across the HISP Muti Academy Estate, however the trust reserves the right to direct priorities to suit requirements.

Month	Process
May	Funding is allocated to the trust and paid in instalments in May, June, July, and August
June	10% of the funding received is set aside each year as a contingency fund to provide assurance against any unknown or unplanned emergencies that may occur throughout the year.
July/August	Condition surveys are to be reviewed annually and resurveyed every 5 years. The cost of the surveys is covered under the

	SCA. In addition to condition surveys a suitability and sufficiency report will also be carried out on a 5 yearly cycle. Condition surveys will form a part of the Estates Risk Register.
September	<p>Executive Director of Operations and Heads of Department to meet with schools to prioritise projects using condition reports and risk rated system.</p> <p>Projects will be RAG rated in respect of risk and trust strategic priorities.</p> <p>A summary report from this meeting will be issued to all Head Teachers and Trust Executive Leadership Team.</p>
October/November/December	<p>Project Scoping exercise to be undertaken for each project and quotations to be sought in line with capital procedures. See Annex 1 for Scope of Works Template.</p> <p>Any additional project specific survey costs are also to be identified, such as R&D, asbestos, electrical or mechanical surveys.</p>
January	Quotes/Tenders received for urgent projects and agreed with the relevant trust professional service lead, Executive Director of Operations and Executive Director of Finance. Paper will then be taken to trustees to seek their approval for projects more than the designated Executive sign off limits.
February	Works on executive approved projects can begin if approval has been given in writing and purchase order raised.
March – May	<p>Project costs to be monitored centrally by the relevant trust professional service lead and central finance, any identified surplus funds are to be re-distributed to other projects using the condition surveys and the RAG rated system to prioritise.</p> <p>Regular updates to the Executive Director, Operations on project progress are to be given.</p>

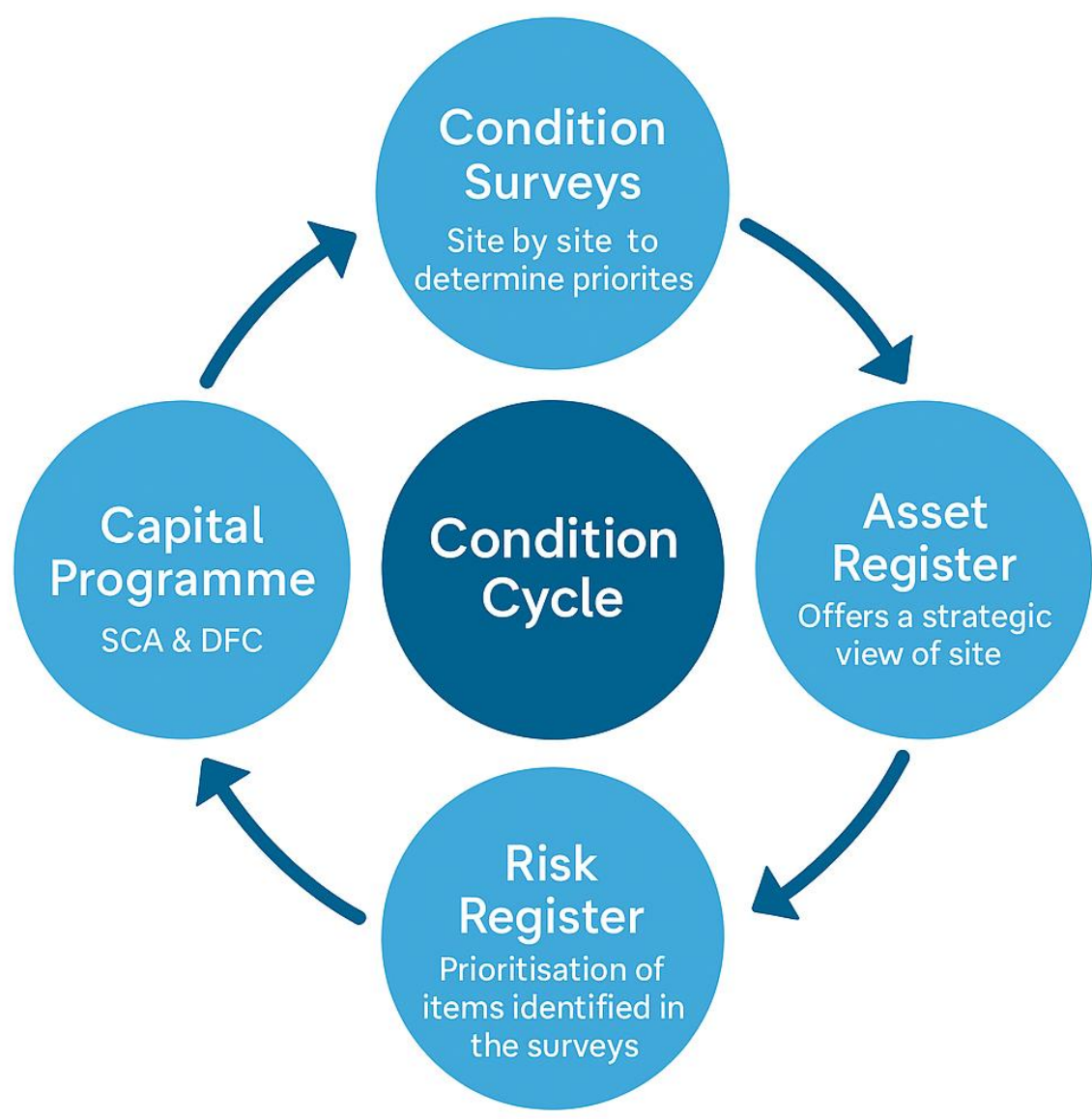
5. Capital Procedure

These projects will be procured centrally to ensure required project scope and sign off and to ensure best value procurement. Capital spend will be allocated on a risk basis, and we will always work with schools ahead of time to ensure their risk register is accurate and up to date.

Where funds have been successfully allocated to a capital project and agreed by Trustee's in the annual plan the following procedure will apply.

Category of funds	Process for Approval
Any capital project falling under £10,000.00.	<p>Academy to propose project scope and rationale for approval.</p> <p>Academy to procure solution in-line with agreed project scope and funding. This will then be discussed with Trust professional service lead (this may differ depending on the project) for approval and sign off by the professional services lead.</p>
Any capital project over £10,000	<p>Trust professional service lead (this may differ depending on the project) to work in partnership with the academy(s) to identify project scope to resolve identified risk, as well as producing a business case.</p> <p>The project proposal will be reviewed and agreed with the relevant trust professional service lead, Executive Director of Operations and Executive Director of Finance. Business case is only required if project is more than executive sign off.</p> <p>Trust professional service lead to work in partnership with the academy(s) to identify the project spec and procurement route for solution. External support may be contracted if internal capacity is unable to deliver solution. Procurement for all projects will be in line with our Trust's Procurement Policy.</p> <p>Once procurement is complete, central, and school based colleagues will work together to implement the project in the agreed timescale and achieving agreed outcomes.</p>

6. Annex 1 Condition Cycle – updated with every on boarding school



Annex 1 – Scope of Works Document

Project Scope of Works

★ Client	
★ Project	
👤 Client Contact	
👤 Project Manager	
📅 Target Start Date	
📅 Target End Date	
£ Overall budget	

Background and Goals

Key Deliverables

Project Scope Particulars

Please can the tenderer ensure that costs are broken down into the following sections.

Tenderer Responsibilities

Deliverable	Description
Project Plan and Schedule	<ul style="list-style-type: none">• A comprehensive project plan detailing timelines and project milestones.• Risk management plan identifying potential disruptions and mitigation strategies to ensure minimal impact on school operations.
Project and Compliance Documentation	<ul style="list-style-type: none">• All necessary compliance documentation to meet building regulations, fire regulations and accessibility regulations
	<ul style="list-style-type: none">• Waste Disposal certificate and where relevant a waste carriers license• A comprehensive O&M detailing the maintenance requirements for all fixtures, systems and materials used• Warranty and post-installation support for an agree upon period

Client Responsibilities

To ensure success of this project, the client will provide:

- Provide a clear outline of the project and project expectations
- Approve any proposed scope changes or adjustments in a timely manner to avoid delays
- Provide access to the winning tenderer to the school premises during agreed working hours
- Arrange for a secure space for storage and site hoarding where required
- Appoint a designated school representative to serve as the primary point of contact for the project.
- Ensure that school policies such as Safeguarding, H&S and visitors policy have been efficiently communicated to the winning tender
- Adhere to the agreed upon payment schedule, ensuring timely payment for completed work

Tender Response

To ensure that the project is completed on time please can all tender return requests be sent to the following inbox Procurment@hispmat.org by

If you have any questions or wish to clarify anything detailed in this document, please contact the client or the project manager using the email addresses given on page 1 of this document.

Company Name	Project Cost	Difference +/-	Additional Comments

Office Use only – Tender Return Analysis (please attach to order)

Project Score Weighting

50% Cost

- Does the project come within budget?
- Does the project deliver value for money?

25% Cultural Fit of Tenderer

- Has the tenderer worked with the school before?
- Does the Tenderer understand how schools operate I.E Safeguarding requirements
- Does the tender look to install sustainable, energy saving measures?

25% Quality of Response

- Has the Tenderer taken the time to attend site?
- Has each section been costs as requested?
- Was the tender submitted on time?

4: Anti-Fraud, Bribery and Corruption Policy and Strategy

Prepared by: Executive Director Finance

2025 updates

General	Refreshed wording and general strengthening of zero tolerance policy as recommended by internal audit reports
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1. Aims

This policy aims to ensure that:

- The Trust’s funds are used only in accordance with the law, its articles of association, its funding agreement and

the latest Academy Trust Handbook

- The Trust and those associated with it operate in a way that commands broad public support
- The Trust has due regard to propriety and regularity, and ensures value for money, in the use of public funds
- Trustees fulfil their fiduciary duties and wider responsibilities as charitable trustees and company directors

2. Legislation and guidance

This policy is based on the Academy Trust Handbook, which states that Academy trusts must be aware of the risk of fraud, theft and irregularity and address it by putting in place proportionate controls. Trusts must take appropriate action where fraud, theft or irregularity is suspected or identified. The board of trustees must notify DfE, as soon as possible, of any instances of fraud, theft and/or irregularity exceeding £5,000 individually, or £5,000 cumulatively in any financial year. Unusual or systematic fraud, regardless of value, must also be reported.

3. Definitions

Fraud

The Fraud Act 2006 came into force on 15th January 2007. The Act created a single offence of fraud and defined this

in three classes:

- False representation.
- Failure to disclose information where there is a legal duty to do so.
- Abuse of position.

The Act also created four new offences of:

- Possession of articles for use in fraud.
- Making or supplying articles for use in fraud.
- Obtaining services dishonestly.
- Participating in fraudulent business.

The Chartered Institute of Public Finance and Accountancy (CIPFA) define fraud as:

‘the intentional distortion of financial statements or other records by persons internal or external to the organisation which is carried out to conceal the misappropriation of assets or otherwise for gain.’

Fraud is different to theft, which is defined in the 1968 Theft Act as:

‘A person shall be guilty of theft if he dishonestly appropriates property belonging to another with the intention of

permanently depriving the other of it’.

Bribery

A bribe is:

‘A financial or other advantage that is offered or requested with the intention of inducing or rewarding the improper performance of a relevant function or activity, or with the knowledge or belief that the acceptance of

such an advantage would constitute the improper performance of such a function or activity’ [CIPFA].

There are various Bribery offences, including offering or accepting a bribe (Sections 1 and 2 of the Bribery Act 2010), bribing or attempting to bribe a foreign official (Section 6) and being a commercial organisation failing to prevent bribery (Section 7). While the Trust is not a ‘commercial organisation’ for its normal activities, it is still considered appropriate for it to have regard to Guidance relating to the Bribery Act.

Corruption

Corruption is:

‘The offering, giving, soliciting or accepting of any inducement or reward which would influence the actions taken by the body, its members or officers.’

The term ‘fraud’ is used throughout this document. For the purposes of the document the term also includes theft, bribery and corruption.

4. Purpose and Scope

The purpose of this document is to confirm the Trusts commitment to preventing and detecting fraud, bribery and corruption.

The Policy Statement identifies the Trusts overall stance relating to fraud and its expectations.

The Strategy describes the Trusts approach to minimising the risk of fraud. The key objectives of the Strategy are to enable the Trust to minimise risk and any losses it experiences through fraud, bribery and/or corruption and to embed the management of fraud risk within the culture of the organisation.

This Anti-Fraud, Bribery and Corruption Policy and Strategy document applies to Trustees and all employees (full time, part time, temporary and casual) and volunteers of the Trust.

5. Roles and Responsibilities

Trustees have overall responsibility for the maintenance and operation of this Policy and Strategy, although have delegated authority to the Trust’s Executive leadership team to implement the strategy throughout the Trust.

6.Review

A regular review of this Policy is carried key changes and to incorporate current best practice.

In assessing the effectiveness of its arrangements, the Trust will consider the extent to which:

- key personnel are trained in detecting fraud,
- identified incidents are investigated,
- perpetrators are robustly dealt with,
- the Trust responds to identified weaknesses in its systems and controls,
- there is any trend in incidents experienced,
- perpetrators are prosecuted,
- recovery of losses is sought.

7. Anti-Fraud, Bribery and Corruption Policy Statement

A non-exhaustive list of generic indicators and/or risk factors associated with potential fraud and is aimed at education providers can be found using the following link: [DfE guidance](#)

The Trust expects all persons associated with the Trust and those acting as its agents to conduct themselves in accordance with the seven principles of public life defined by the Nolan Committee 1995.

The seven principles are:

- Honesty
- Integrity
- Selflessness
- Objectivity
- Openness
- Accountability
- Leadership

The Trust requires Trustees, Members, Governors and employees at all levels to lead by example in adhering to legal requirements, financial rules, contract procedure rules, codes of conduct, and prescribed procedures and practices.

The Trust requires Trustees and senior staff to design and operate systems and procedures that will minimise losses due to fraud, bribery, corruption and other dishonest action.

The Trust expects all persons connected to the Trust to be alert to the possibility of fraud, bribery and corruption in all their dealings.

The Trust will provide clear routes by which concerns can be raised internally by Trustees, Members, Governors and employees, and externally by other stakeholders and the public.

The Trust will not tolerate fraud. Employees found to be defrauding the Trust face gross misconduct dismissal under the disciplinary process. Employees and any other parties defrauding the Trust e.g. claimants or contractors will have their cases referred to the Police.

8.Procedures / deterring fraud

The wide range of procedures in place to minimise the risk of fraud constitutes a major part of the Trust's system of internal control, which is designed to ensure the Trust conducts its business properly and effectively and completes its transactions fully and accurately.

The Trust aims to have in place efficient and effective systems of control that as far as possible prevent potential fraudsters from exploiting weaknesses. The prime responsibility for maintaining such systems lies with the Accounting Officer (CEO). Support is given by the Chief Financial Officer (CFO) and independent audit reports, which provide an independent appraisal of the integrity of all internal control systems.

9. Key Procedures and Controls

The following key procedures and controls operate within the Trust:-

- a. The Trust updates key staff regularly on fraud that will not tolerate fraud, bribery or corruption
- b. All persons associated with the Trust comply with respective Codes of Conduct
- c. A Register of Interests is maintained to enable Trustees, Academy Committees and employees to record any financial or non-financial interests that may bring about conflict with the Trust's interests
- d. A Register of Gifts and Hospitality is maintained to enable Trustees, Academy Committees and employees to record gifts and hospitality either received, or offered and declined, from the Trust's contractors and suppliers
- e. Confidential Reporting (Whistleblowing) procedures are in place, are reviewed and circulated annually and operate effectively
- f. Suitable and enforced financial and contract procedure rules are in place
- g. Suitable and enforced ICT controls and procedures.
- h. There are robust recruitment and selection procedures
- i. There are clear and active disciplinary arrangements
- j. Sanctions are pursued against those who commit fraud, bribery and corruption.

The Trust is fully committed to ensuring that the examples of best practice indicated above are an integral part of its operations.

Deterring fraud

The Trust will use a number of ways to deter potential fraudsters from committing or attempting fraudulent or corrupt acts (including bribery) whether they are inside and / or outside of the Trust, including:-

- Having sound internal control systems, which allow for innovation while limiting opportunities for fraud, bribery and corruption.
- Publicising at every opportunity the Trust's determination to prevent and detect fraud, bribery and corruption e.g. clause in contracts.
- Acting robustly and decisively when fraud, bribery and corruption are suspected and proven – e.g., the termination of contracts, dismissal, prosecution.
- Action to recover any losses through fraud – e.g. through agreement, Court action, penalties, insurance etc.

Detection and Investigation

It is the responsibility of all persons associated with the Trust to prevent and help detect fraud, bribery and corruption. High risk areas have been identified on the 'Risk Register' and their impact and any remedial actions required, assessed by Trustees and ELT

It is often the alertness of employees and the public that enables frauds to be detected.

When alerted to potential Fraud

DO:

- Make an immediate note of all relevant details. Include date and time of the event, record of conversations (including telephone), names of persons present (or description if the name is not known), vehicle details where appropriate e.g. type, colour, registration etc.
- Report your suspicions as rapidly as possible together with the relevant details to an appropriate level of authority and experience. This can either be your line manager, Headteacher/Unit Lead CEO, or CFO.
- Alternatively, you may prefer to put your suspicions in writing to the Chair of Trustees CFO or CEO. The envelope must be addressed with the following header:
- 'CONFIDENTIAL — TO BE OPENED BY THE ADDRESSEE ONLY'.
- Alternatively, you may prefer to communicate your suspicions via email. The specific email address to be used: info@hispmat.org

Any concerns of fraud relating to the behaviour or actions of the CEO or ELT can be raised with a Trustee.

The Trust would prefer you not to provide information anonymously as it may be necessary for you to provide further information. However, all anonymous information that is received will be investigated.

All reported suspicions will be dealt with sensitively and confidentially.

DO NOT:

- Confront or accuse anyone directly.
- Try to investigate the matter yourself.
- Discuss your suspicions with anyone other than the appropriate level of authority.
- Be afraid to report a matter on the basis that your suspicions may be groundless; all reports will be treated on the basis that they are made in good faith.

Reporting and Monitoring

The CFO will ensure that a log is maintained of all reported incidents at the Trust.

A decision will then be made as to who is best placed to investigate any concerns raised. The investigating officer, who will be a responsible individual selected by the CFO as appropriate, also has the responsibility to report all findings to members of the Board of Trustees.

Training

The Trust recognises that the success of its Anti-Fraud, Bribery and Corruption Strategy and its general credibility depends significantly on the effectiveness of training, communication, and the responsiveness of employees throughout the Trust. The Trust provides suitable induction and training programmes that ensure all persons associated with the Trust are kept up to date on the Trust's arrangements for managing the risk of fraud. These training programmes also ensure casual, temporary and agency staff are aware of the high standards of probity required by the Trust.

The investigation of small-scale fraud, bribery and corruption rests on a day-to-day basis with the CFO may include support from auditors and other leadership members, as appropriate.

Audit

Internal Audit is a key element of the Trust's internal control system.

Internal Audit reviews are carried out by independent auditors external to the Trust. The auditors carry out a risk-based series of audits designed to assess the Trust's identification and management of fraud risks. Auditors would also be heavily involved in investigations into any irregularities, as required, and determined by the CFO

Culture

The importance of a positive culture towards anti-fraud, bribery and corruption cannot be overstated. The effectiveness of the Trust's arrangements can be undermined by a culture that does not apply the public standards and supporting policies and procedures routinely on a day to day basis. Maintaining appropriate arrangements, continually advocating them and taking robust action where they are not applied all help to build the right underpinning culture.

The Trust will continue to assess the culture and ensure its actions to promote its arrangements provide a positive influence.

Raising Concerns

In accordance with the Trust's 'Whistleblowing Policy', anyone with any concerns about the Trust's activities should normally raise concerns through their immediate manager or senior management. However, it is recognised that this may not be possible or in the Trust's best interests in certain circumstances. In these cases, contact should be made using the methods noted above.

All concerns, reported by whatever method, will be treated in confidence and will be reviewed and investigated by the person deemed to be appropriate and best placed to do so.

Sanctions and Redress

After any investigation, sanctions should be applied where fraud has been found to have been committed. The Trust has a zero tolerance approach and will pursue criminal, civil and disciplinary action in a robust, consistent and proportionate manner. The Trust will pursue a range of options, as appropriate to each case.

5: Asset Management and Depreciation Accounting Policy

Prepared by Executive Director Finance

2025 revisions:

General	Refresh of language/Updates as per annual audit recommendations
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Principles

The objective is to ensure that all assets are recorded and disposed of correctly and depreciated over an agreed period. Assets both inherited and purchased by the Trust will be managed in accordance with this policy.

Purpose

All assets with a useful life of over 12 months and a cost of over £5,000 must be accounted for in the correct manner to comply with accounting standards.

Method

All assets purchased costing £5000 or more will be added to the Fixed Asset Register by the Finance Department and held by the Financial Accountant.

Local Portable Assets listed on the inventory must not be disposed of without prior written authorisation from the Headteacher or Unit Head.

Sales of fixed assets will be with the prior consent and authorisation of the CFO. Equipment costing more than £5000 will be depreciated as shown below.

The "straight line" method of depreciation will be utilised to depreciate fixed assets, over the estimated useful lives of the related assets principally as follows unless the actual useful life of the specific item is deemed to be different:

<u>New Assets</u>	
New Buildings	50 years
Computer Hardware	3 years
Minibuses	5 years
Other equipment	3 years
Plant and Machinery	3 years
Air Conditioning	15 years

Depreciation will apply from month after the asset is acquired by the Trust

Donation of Assets

HISP Trust may donate any assets bought for a proper purpose, but which are no longer needed for the conduct of its business, to a charity, with a residual value of £1,000. Residual value of assets is determined by the greater of the written down value or market value.

6: Gift and Hospitality Policy

2025 revisions:

General	Refresh of language/Updates as per annual audit recommendations
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Purpose

HISP Multi Academy Trust aims to provide the highest standard of service to all of its students and parents and to care for the well-being of its employees. In return students, parents and the public are entitled to expect the highest standards of conduct from all of the academy's Trustees, Academy Committee members and employees with reference to propriety and regularity in the use of public funds. The policy aims to ensure transparency, integrity, and compliance with the Bribery Act 2010 and other relevant legislation.

Scope

This policy aims to the aims and core values of the Trust and to protect anyone from misunderstanding or criticism. Inevitably some issues will affect Trustees, Academy Committee member and senior post holders more so than other employees and some breaches of the policy may be regarded more seriously for those in such positions.

The principle of integrity requires that Trustees, Academy Committee members and 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.

Definitions

- A gift is any item, cash or goods, given or offered for which no payment or service was given or received in return.
- Hospitality can be defined as any food, drink, accommodation or entertainment provided free of charge or heavily discounted.

Principles

- We expect staff to exercise the utmost discretion in giving and accepting gifts and hospitality when on school business. Particular care should be taken with regard to a person or organisation that has, or is hoping to have, a contract with the school.
- Staff should only accept offers of hospitality if there is a genuine need to impart information or represent the school in the community or at large. Offers to attend purely social or sporting functions should be accepted only when these are part of the life of the school or where the school should be represented. They should be properly authorised by the Headteacher and recorded.
- No favour or preference which is not generally available should be sought, accepted or given.
- Staff must not make use of their official position to further their private interests or those of others.

Gifts

You must not accept any cash gift, or personal gift with a significant monetary value, under any circumstances. Items of nominal value (£50.00 or below) such as a box of chocolates or free promotional pens, calendars and similar items, may be accepted.

Personal gifts may not be solicited under any circumstances. Examples of gifts that should be refused are gifts of free membership or subscriptions, free goods or services that are normally provided at a cost, large gifts from parents.

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.

All gift offers beyond those outlined with nominal value must be recorded in the unit gifts register held by the Finance Team.

To achieve propriety in the use of public funds, gifts for members of staff who are leaving or have a personal celebration should only be bought with voluntary contributions from colleagues.

Schools may, at the Headteacher discretion, use funds responsibly for the purpose of staff well-being and recognition only. The individual value should be reasonable and not normally exceed £25 and an annual value should be less than £100. Often it may be appropriate to consider voluntary contributions instead when considering novel and contentious transaction guidance in the Academy Trust Handbook. **Alcohol must never be purchased under any circumstances.**

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 decisions that the academy may be taking is especially sensitive. Above all, you must never solicit hospitality. As a general rule, you should not accept hospitality that the Academy would not reciprocate in similar circumstances.

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. If necessary, you should pay your share of any costs, and claim these in the ordinary way.

You may accept modest working meals and light refreshments without making any declaration. Other hospitality may be accepted, for instance where:

- there is a genuine need to impart information or represent the academy in the community
- 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

Before accepting any hospitality, approval should be sought from the Chair in respect of the Academy Committee or the Head Teacher in respect of school based staff. In exceptional circumstances retrospective approval may be obtained.

It may be appropriate for the Trust or an academy to provide a celebratory meal or business event in keeping with the ethos of the Trust to celebrate achievements and / or hard work. In approving such events, due consideration must be given to both rules on personal taxation from HMRC and the requirement to properly utilise public funds. For example, staff events should be available to all staff in a location and in aggregate should not breach the HMRC regulations of £150 per person per annum.. These do not need to be added to the register but will be monitored to ensure they are at a reasonable level.

Contracts with Suppliers

- Staff must base all purchasing decisions and negotiations for contracts solely on achieving best value for money (which is not necessarily the least expensive).
- The School requires staff who have official dealings with contractors and other suppliers of goods and services to avoid conducting any private business with them by any means other than through normal commercial channels.
- Staff, Trustees and Governors should be aware that practices which constitute corruption could lead to prosecution.

- Acceptance by Staff, Trustees and Governors of hospitality through attendance at relevant events, conferences and courses is acceptable where it is clear the hospitality is corporate rather than personal; and where the school is satisfied that any purchasing decisions are not compromised.
- **Gifts to and from Students**
- Staff should not accept gifts / hospitality (of any value value) from students during their time at the school without informing the Headteacher or Unit Head
- Any gifts / hospitality from students, exceeding £50 in value must be entered in the Register of Gifts and Hospitality.

Sponsorship

Where an outside organisation wishes to sponsor or is seeking to sponsor HISP Multi Academy Trust or any School or Unit part of the Trust, whether by invitation, tender, negotiation or voluntary, the basic conventions concerning acceptance of gifts or hospitality apply. Particular care must be taken when dealing with contractors or potential contractors. Sponsorship from companies that promote alcohol or smoking is prohibited.

Register of Gifts

The Head of Finance has responsibility for the Gift and Hospitality Registers across the Trust. Individual staff are personally responsible for reporting any gifts/hospitality offered and whether these have been accepted or declined.

The following should be recorded:

- Nature of gift / hospitality
- Value of gift / hospitality
- Name of person / company offering the gift / hospitality
- Date gift / hospitality accepted / refused.
- Name of employee

7: Investment Policy

Prepared by Executive Director Finance

2025 revisions:

No Change from agreed policy agreed 2024
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Policy Statement

This policy aims to ensure that:

The academy trust's funds are used only in accordance with the law, its articles of association, its funding agreement and the Academy Trust Handbook

The trust's funds are used in a way that commands broad public support and reflect the Trust's values

Value for money (economy, efficiency and effectiveness) is achieved

Trustees fulfil their duties and responsibilities as charitable trustees and company directors

Legislation and guidance

The Academy Trust Handbook states that Academy Trusts are required to have an investment policy to:

- Manage and track their financial exposure
- Ensure value for money

This policy is based on the Academy Trust Handbook and guidance from The Charity Commission.

This policy also complies with our funding agreement and articles of association.

Roles and Responsibilities

Academy trustees

- Academy Trustees will ensure that the risk associated with investments is effectively mitigated or minimised. When considering whether to make an investment, trustees will:
 - Act within their powers to invest as set out in our articles of association
 - Exercise caution in all investments, reducing risk and ensuring that the Trust acts with the utmost integrity
 - Take investment advice from a professional adviser, as appropriate
 - Ensure that exposure to investment products is tightly controlled so security of funds takes precedence over revenue maximization
- Ensure that all investment decisions are in the best interests of the Trust and command broad public support
- The Board should follow the Charity Commission's guidance: CC14 Charities and investment matters: A guide for Trustees
- Trustees do not make investment transactions that are novel, contentious or repercussive.

Novel transactions are those of which the Academy Trust has no experience, or are outside the range of normal business activity for the Trust.

Contentious transactions are those which might give rise to criticism of the Trust by parliament, the public, and the media.

Repercussive transactions are those likely to cause pressure on other Trusts to take a similar approach and hence have wider financial implications.

Audit and Risk Committee

Academy Trustees delegate responsibility for the Trust's investments to the Audit and Risk Committee.

The committee is responsible for:

- Controlling and tracking the risk of financial exposure
- Reviewing the trust's investments

The Chief Financial Officer (CFO)

The Chief Financial Officer (CFO) is responsible for producing cash flow forecasts and for making decisions on investments following advice from the Trust's nominated expert. The CFO also provides information to the Audit and Risk or Finance Committee and Academy Trustees, as appropriate.

Investment Principles

This policy takes into account the following principles:

- the management of the Trust's cash flows, banking and investment transactions;
- the management of the risks associated with these activities;
- the pursuit of optimal returns consistent with those risks.

The objectives of this policy are to ensure that the Trust:

- maintains sufficient cash balances in its current account to meet its day-to-day commitments;
- invests surplus cash to earn an acceptable rate of return without undue risk;
- complies with the Academy Trust Handbook and ensures that security of funds takes precedence over revenue maximisation;
- considers spreading risk between differing institutions to reduce risk.

Procedures for Deposits, Investments and Borrowing

Deposits and Investments

The Trust will operate an interest-bearing current account with a bank approved by the Trust Board and maintain sufficient balances to ensure there are adequate liquid funds to cover all immediate and forthcoming financial commitments, including maintaining a sufficient contingency for unexpected payments.

Where applicable, monies surplus to the working requirements shall be invested in low-risk deposit accounts or in term deposits in regulated institutions.

The table below shows the level the Trust can deposit with institutions carrying a particular credit rating or implied credit rating at the time of deposit. The credit rating or implied credit rating will be checked at the time of placing a deposit with a new institution. (It is worth noting that Implied Credit Ratings are usually the "long term" position, however, the Trust will only be depositing "short-term" in deposits with a maturity date or notice period of 12 months or less).

It is recognised that the Trust's main current account balance may exceed the deposit limits stated above. For the purposes of this investment policy, current account balances are excluded from the counterparty limits detailed above to assist cashflow management.

The Trust will not invest in property, equities or cryptocurrencies and will only deposit funds with bodies protected by the Financial Services Compensation Scheme.

In line with the Academy Trust Handbook, the Board of Trustees may invest to further the Trust's charitable aims, but must ensure the risk associated with investments is effectively mitigated or minimised.

When considering an investment, the Board must:

- act within its powers to invest as described in its Articles of Association;
- exercise care and skill in investment decisions, taking advice as appropriate from a professional adviser;
- ensure investment decisions are in the Trust's best interests;
- review the Trust's investments and this policy regularly.

Borrowing

The Trust is not permitted to borrow without prior permission of the Secretary of State. Any requirements for borrowing will be highlighted to the Trust Board to obtain prior approval before approaching the DfE for information.

Limits and Authority

The Trust Board reserves the powers to:

- Give prior approval to the opening of new bank current accounts;
- Appoint a financial expert to advise on investments as described in the Trust's Articles of Association.

The Trust Board delegates authority to the CFO to place deposits in the Trust's name, at approved institutions (approved by the Trust Board as and when necessary), subject to the agreed limits within this policy. No deposits will be placed without prior agreement with the CFO or other signatory subject to the relevant limits.

The Trust can invest surplus funds in a mixture of interest-bearing accounts and money market facilities (where the capital is not placed at risk) including:

- Overnight (instant access / easy access)
- Notice accounts (typically from 30-days to 100+days)
- Fixed term deposits (typically from 1-month to 12-months)

Investment maturity dates should not exceed 12-months in term unless funds are held for a specific future product with no risk of requiring access in the meantime.

The CFO is responsible for making investment decisions following advice that comply with this Policy.

Monitoring, Evaluation and Review

The CFO will, where applicable, present the Register of Deposits to the Finance and Resources Committee or to the Finance Committee when requested to do so. The reporting will include:

- Funds invested
- Maturity dates
- Interest rates
- Latest cash flows showing 12-month liquidity requirements
- Recommendations for the next 3 months

The CFO monitors the implementation of this policy with the Head of Finance and Financial Accountant

8: HISP Multi Academy Trust Reserves Accounting Policy

Prepared by Executive Director Finance

2025 updates

% increased to 7% (previously 5%)

Introduction

This policy establishes a framework within which decision will be made regarding the level of reserves held by the School and the purposes for which they will be used and maintained.

Trust Reserve Policy

Strong financial performance underpins HISP's commitment to both responsible financial stewardship and sustained investment in high-quality education and infrastructure across all of its schools.

- The Trust has established a reserves policy built on four key principles:
- Reserves will have a specific purpose related to future spending or covering current and future risks.
- The size of the reserves will balance the benefit of current spending with the risks the reserves cover.
- They will be transparent and maintain the link with the purposes for which the income was given. They will be maintained at a level sufficient to ensure that unexpected events can be accommodated without causing in year issues.

Whilst the DfE require reserves to be limited to a level where its use in the future is known, there is an overriding need to ensure value for money. The Trust's policy therefore seeks to secure the right balance between:

Maximising "deployable" spend for the benefit of current and future pupils.

A strategy where reserves are an element of the toolkit used to create the right financial framework to drive excellence in financial management.

Financial sustainability for the Trust The balance between these three objectives is agreed annually by Trustees as part of budget setting process.

The Trust will hold reserves for the following purposes:

- To cover one month's operational cost and ensure reserves are at least 7% of total income
- To smooth out spending, for example between years.
- Specific Capital Reserves established in order to fund capital expenditure and other investments that would not be affordable if financed from a single year's funding.
- Specific ring-fenced reserves maintained or received for conditional purposes but not yet spent to provide for unexpected and unpredictable needs.
-
- To enable variable cash demands across the Trust or specific parts of the Trust to be managed. Reserves expenditure (deployable spend)
- Reserves will only be used in accordance with permitted conditions with "ring-fenced" reserves used ahead of more generalised reserves where permitted.
- "Urgent" health and safety capital spend, or safeguarding will be prioritised above other capital schemes.
- Reserves will only be used to support non-recurring, time limited or spend driven by educational need.

Reserves as an element of financial strategy:

- The Financial Strategy of the Trust is designed to promote strong financial resilience and discipline.
- Reserves and or capital monies may be used to create financial incentives for good financial management.
- Individual Academies are not permitted to exceed agreed budgets and individual/collective actions may be taken to protect the reserves position of the overall Trust Sustainability
- Reserves will be built (on affordability) and maintained at a level to ensure the ongoing financial security and sustainability of the Trust.

As per DfE guidance the consolidated Trust reserves must aim to be in excess of 5% of annual total income for the Trust and not usually be more than 20% without a specific purpose. The optimum reserve level for the Trust should equate to one month's operating expenditure which was quantified as 6.4% as at 31.08.24.

9: Statement of Policy LGPS Pension

Prepared by Executive Director Finance

2025 updates

No updates LGPS agreed format

Statement of policy on the Local Government Pension Scheme Regulations (LGPS) 2013 and the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014.

This document sets out the scheme employer's policy on the operation of each of the mandatory discretions (and optional discretions where chosen) available under the LGPS Regulations. It states whether or not discretions will be operated and the circumstances and criteria for applying them.

The following discretions apply to members who were actively paying into the scheme as at 1 April 2014 onwards

Part A Mandatory Discretions

Power to Award Additional Pension: Regulation 31

Whether, at the full cost to the Scheme employer, to grant extra annual pension of up to £7,579 (figure at 1 April 2023) to an active member or within 6 months of leaving to a member whose employment was terminated on the grounds of redundancy or business efficiency [regulation 31 of the LGPS Regulations 2013]

Employer Policy Decision:

The HISP MAT may resolve to grant extra pension of up to £7,579 (figure as 1 April 2023) 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.

Shared Cost Additional Pension Contributions: Regulation 16(2e) (4d)

Whether, how much, and in what circumstances to contribute to a Shared Cost APC scheme

Whether, where an active member wishes to purchase extra annual pension of up to £7,579 (figure as at 1 April 2023), by making additional pension contributions (APCs), to voluntarily contribute towards the cost of purchasing that extra pension via a shared cost additional pension contribution (SCAPC) [regulations 16(2)(e) and 16(4)(d) of the LGPS Regulations 2013].

Note: This does not include instances where the employee is paying for *lost* pension via an APC where the election was made in the first 30 days (or longer if the employer allows), in this circumstance the employer *must* pay two-thirds of the cost of such purchase

Employer Policy Decision:

The School accepts that a member of staff can apply to purchase any lost pension through absence, including strike action or maternity leave. Applications made within 30 days will be granted as stipulated by the Secretary of State.

Note: This does not include instances where the employee is paying for **lost** pension via APC where the election was made in the first 30 days, in this situation The HISP MAT **must** pay two-third of the cost of such purchase.

Whether To Allow Flexible Retirement: (Regulation 30 (6)) & TP11(2) & R30(8)

Whether to allow flexible retirement for staff aged 55 or over who, with the agreement of the Scheme employer, reduce their working hours or grade [regulation 30(6) of the LGPS Regulations 2013] and, if so, as part of the agreement to allow flexible retirement:

- whether, in addition to the benefits the member has built up prior to 1 April 2008 (which the member must draw), to allow the member to choose to draw:
 - I. all, part or none of the pension benefits they built up after 31 March 2008 and before 1 April 2014, and / or
 - II. all, part or none of the pension benefits they built up after 31 March 2014

[regulations 11(2) and 11(3) of the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014], and

- whether to waive, in whole or in part, any actuarial reduction which would otherwise be applied to the benefits taken on flexible retirement before Normal Pension Age (NPA) [regulation 3(5) of the LGPS Transitional Provisions, Savings and Amendment) Regulations 2014, regulation 18(3) of the LGPS (Benefits, Membership and Contributions) Regulations 2007 and regulations 30(6) and 30(8) of the LGPS Regulations 2013].

Employer Policy Decision:

i) Whether to allow flexible retirement

The HISP MAT will allow a member from age 55 onwards to draw all or part of the pension benefits they have already built up whilst continuing in employment. This is providing that the school agrees to the member either reducing their hours or moving to a position on a lower grade.

ii) Whether to allow the member to choose to take

- a. part or none of the pension benefits they built up after 31 March 2008 and before 1 April 2014, and / or
- b. all, part or none of the pension benefits they built up after 31 March 2014

Members can choose to take their pension benefits as defined in a. and b.

iii) Whether to waive, in whole or in part, any actuarial reductions which would otherwise be applied to the benefits taken on flexible retirement before Normal Pension Age

The HISP MAT will not waive any of the actuarial reductions which would otherwise be applied to the benefits taken on flexible retirement before Normal Pension Age.

Switching on the 85year rule: [paragraph 1(1)(c) of Schedule 2 to the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014]

Whether to “switch on” the 85-year rule for a member voluntarily drawing benefits on or after age 55 and before age 60.

Members are now able to voluntarily retire between ages 55 and 60. If they were a member of the LGPS on 30 September 2006 then some of their benefits could be protected from reductions applied to early payment under the 85-year rule. This rule only applies automatically to members voluntarily retiring from age 60 but the employer has the discretion to “switch it on” for voluntary retirements between age 55 and 60.

This discretion does not apply to flexible retirement (see [Regulation 30\(6\)](#)) whereby the 85 year rule is always switched on.

Where the employer does not choose to “switch on” the rule, then

- a) if the member has already met the 85 year rule, the member’s benefits are to be reduced in accordance with actuarial guidance issued by the Secretary of State (with the benefits from any pre 1 April 2008 membership for members who will not be 60 or more on 31 March 2016, and benefits from any pre 1 April 2016 membership for members who will be 60 or more on 31 March 2016, which would not normally have been subject to an actuarial reduction nonetheless being subject to a reduction calculated by reference to the period between the date the benefits are drawn and age 60) [paragraphs 1(2) and 1(4) of Schedule 2 to the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014], or
- b) if the member has not already met the 85 year rule, the member’s benefits are to be reduced in accordance with actuarial guidance issued by the Secretary of State (with the reduction on that part of the member’s benefits subject to the 85 year rule being calculated by reference to the period between the date the benefits are drawn and age 60, or the date of attaining the 85 year rule, whichever is the later), and
- c) the Scheme employer can exercise a discretion to waive any actuarial reductions (including where an actuarial reduction may still be applied to a member’s benefits after
- d) ‘switching back on’ the 85 year rule in full) (at cost to the Scheme employer, via an employer strain charge).

Employer Policy Decision

The HISP MAT will not consider switching on the rule for members protected under this rule aged between 55 and 59.

Waiving of actuarial reductions: Regulation 30(8), TP3(1), TPSch 2, para 2(1), B30(5) and B30A(5)

Whether to waive, in whole or in part, any actuarial reductions on benefits which a member voluntarily draws before normal pension age (other than on the grounds of flexible retirement).

Employers can agree to waive any actuarial reductions due in the case of employees retiring any time after age 55. For active members voluntarily retiring on or after age 55 and before Normal Pension Age (NPA), who elect under regulation 30(5) of the LGPS Regulations 2013 to immediately draw benefits, and for deferred members and suspended tier 3 ill-health pensioners who elect under regulation 30(5) of the LGPS Regulations 2013 to draw benefits (other than on ill health grounds) on or after age 55 and before NPA.

There are 4 member groups which you would be making the discretions policy on, the below covers in what circumstance reductions can be waived and to which benefits these would apply:

Group 1 - Members joined before 1 October 2006 and who reached 60 before 1 April 2016

- To waive on compassionate grounds, any actuarial reductions applied to benefits built up before 1 April 2016, and/or
- To waive, in whole or in part, on any grounds, actuarial reductions applied to benefits built up after 31 March 2016

Group 2 - Members joined before 1 October 2006 and who reach age 60 between 1 April 2016 and 31 March 2020 and also meet their critical retirement age before 1 April 2020 (date member meets the 85 year rule)

- To waive on compassionate grounds, any actuarial reductions applied to benefits built up before 1 April 2020, and/or
- To waive in whole or in part on any grounds, actuarial reductions applied to benefits built up after 31 March 2020

Group 3 - Members joined before 1 October 2006 and who reach age 60 after 31 March 2020 (or who would reach age 60 between 1 April 2016 and 31 March 2020 and don't meet their critical retirement age before 1 April 2020 (date member meets the 85 year rule)

- To waive on compassionate grounds, any actuarial reductions applied to benefits built up before 1 April 2014, and/or
- To waive, in whole or in part on any grounds, actuarial reductions applied to benefits built up after 31 March 2014

Group 4 - Members joined after 1 October 2006

- To waive on compassionate grounds, any actuarial reductions applied to benefits built up before 1 April 2014, and/or
- To waive, in whole or in part on any grounds, actuarial reductions applied to benefits built up after 31 March 2014

Employers should also note that the strain cost of any such retirements would need to be met by the employer and paid into the Pension Fund at the appropriate time.

Employer Policy Decision

The HISP MAT will not agree to waive any actuarial reduction on benefits.

The following discretions apply to members who left the scheme between 1 April 2008 and 31 March 2014

Whether to “switch on” the 85-year rule for a member with deferred benefits voluntarily drawing benefits on or after age 55 and before age 60

[paragraph 1(1)(c) & 1(2) of Schedule 2 to the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014]

Whether to “switch on” the 85-year rule for a member with deferred benefits voluntarily drawing benefits on or after age 55 and before age 60.

A member with a deferred benefit who left the scheme voluntarily between 1 April 2008 – 31 March 2014 and who has subsequently become a deferred pensioner may now claim their benefits from age 55 without their employer's consent. However, these benefits will be reduced for early payment.

Where a member has reached the 85-year rule at the point of retirement, an employer can consent to switching on the 85-year rule. Any 'strain' to the Fund will be payable immediately by the Scheme employer.

Employer Policy Decision

The HISP MAT will not consider switching on the rule for members protected under this rule aged between 55 and 59.

Whether to ‘switch on’ the 85-year rule upon the voluntary early payment of a suspended tier 3 ill health pension? [paragraph 1(1)(c) & 1(2) of Schedule 2 to the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014]

Whether to “switch on” the 85-year rule for a member with a suspended tier 3 ill-health pension voluntarily drawing benefits (on or after 14 May 2018) on or after age 55 and before age 60.

Where a member has reached the 85-year rule at the point of retirement, an employer can consent to switching on the 85-year rule. Any ‘strain’ to the Fund will be payable immediately by the Scheme employer.

Employer Policy Decision

The HISP MAT will not consider switching on the rule for members protected under this rule aged between 55 and 59.

Whether to waive upon the voluntary early payment of deferred benefits any actuarial reduction on compassionate grounds? [regulation 30(5) of the LGPS (Benefits, Membership and Contributions) Regulations 2007 and paragraph 2(1) of Schedule 2 to the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014]

A member with a deferred benefit who left the scheme voluntarily between 1 April 2008 – 31 March 2014 may now claim their benefits from age 55 without their employer’s consent. However, these benefits will be reduced for early payment.

An employer can consent to waiving any reductions, on compassionate grounds, that would normally be applied to deferred benefits which are paid before age 65.

Employer Policy Decision

The HISP MAT will not agree to waive any actuarial reduction on benefits.

Whether to waive upon the voluntary early payment of a suspended tier 3 ill health pension, any actuarial reduction on compassionate grounds? [regulation 30A(5) of the LGPS (Benefits, Membership and Contributions) Regulations 2007 and paragraph 2(1) of Schedule 2 to the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014]

A member with a suspended tier 3 ill health pension and who left the scheme between 1 April 2008 – 31 March 2014 may now claim for their pension to be brought back into payment from age 55 without their employer’s consent. However, these benefits will be reduced for early payment.

An employer can consent to waiving any reductions, on compassionate grounds, that would normally be applied to deferred benefits which are paid before age 65.

Employer Policy Decision

The HISP MAT will not agree to waive any actuarial reduction on benefits.

The following discretions apply to members who left the scheme between 1 April 1998 and before 1 April 2008

Whether to ‘switch on’ the 85-year rule upon the voluntary early payment of deferred benefits [paragraph 1 (1) (f) & 1 (2) of Schedule 2 to the LGPS (Transitional Provisions, Savings and Amendment) regulations 2014]

Whether, as the 85-year rule does not automatically fully apply to members who would otherwise be subject to it and who choose to voluntarily draw their deferred benefits (on or after 14 May 2018) on or after age 55 and before age 60, to switch the 85 year rule back on in full for such members.

Deferred members who left the scheme after 1 April 1998 are now able to voluntarily retire between ages 55 and 60. If they were a member of the LGPS on 30 September 2006 then some of their benefits could be protected from reductions applied to early payment under the 85 year rule. This rule only applies automatically to members voluntarily retiring from age 60 but the ceding employer has the discretion to “switch it on” for voluntary retirements between age 55 and 60.

Where the employer does not choose to “switch on” the rule, then benefits built up would be subject to reduction in accordance with actuarial guidance issued by the Secretary of State regardless of whether a member meets the rule or not

If the employer does agree to “switch on” the 85 year rule, the employer will have to meet the cost of any strain on fund resulting from the payment of benefits before age 60 i.e. where the member has already met the 85 year rule or will meet it before age 60.

Employer Policy Decision

The HISP MAT will not consider switching on the rule for members protected under this rule aged between 55 and 59.

Whether to grant applications for the early payment of pension benefits on or after age 50 and before age 55 [regulation 31(2) of the LGPS Regulations 1997].

Whether to grant application for early payment of deferred benefits on or after age 50 and before age 55.

A member with a deferred benefit who left the scheme between 1 April 1998 – 31 March 2008 can claim their benefits from age 50 with their employer’s consent.

However, these benefits may be reduced for early payment and/or be subject to an unauthorised payment charge under the Finance Act 2004

Employer Policy Decision

The HISP MAT will not consider granting early release of benefits for deferred members.

Whether, on compassionate grounds, to waive any actuarial reduction that would normally be applied to benefits [regulation 31(5) of the LGPS Regulations 1997 and paragraph 2(1) of Schedule 2 to the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014].

Whether to waive any actuarial reduction on compassionate grounds which would normally be applied to benefits which are paid before age 65.

Employers should note that the strain cost of any such retirements would need to be met by the employer and paid into the Pension Fund at the appropriate time.

Employer Policy Decision

The HISP MAT will not agree to waive any actuarial reduction on benefits.

The following discretions apply to members who ceased active membership before 1 April 1998

Whether to grant applications for the early payment of deferred pension benefits on or after age 50 and before NRD on compassionate grounds

[regulation D11(2)(c) of the LGPS

Regulations 1995].

Whether to grant early payment of a deferred benefit on compassionate grounds, on or after age 50 and before NRD.

If granted, these benefits may be reduced for early payment and/or be subject to an unauthorised payment charge under the Finance Act 2004

Employer Policy Decision

The HISP MAT will not consider granting early release of benefits for deferred members.

- These policies may be subject to review from time to time. Any subsequent change in this Policy Statement will be notified to affected employees.
- If the employer decides to amend the policy, no change can come into effect until one month has passed since the date the amended policy statement was published.
- Any changes to this policy will be notified to the Hampshire Pension Services within 1 month of the change.

PART B - Optional Discretions

(The four detailed are the most frequently used Regulations, but remain optional. See [LGA Discretions](#) for the full list of optional employer discretions)

Membership Aggregation: Regulation 22 (7)(b),(8)(b)

Whether to extend the 12 month option period for a member to elect to join deferred benefits to their current employment/membership

The election to keep separate pension benefits must be made within 12 months of becoming an active member, who must be active at the date of election.

An employer may allow a period longer than 12 months.

Employer Policy Decision

The period for a member to elect to join deferred benefits to their current employment / membership is 12 months.

Transfers of Pension Rights: Regulation 100(6)

Extend normal time limit for acceptance of a transfer value beyond 12 months from joining the LGPS

Where an active member requests to transfer previous pension rights into the LGPS, the member must make a request within in 12 months of becoming an active member.

An employer may allow a longer period than 12 months

Employer Policy Decision

The time limit for acceptance of a transfer value is 12 months.

Time limit for a member to elect to purchase additional pension by way of a shared cost additional pension contribution (SCAPC) upon return from a period of absence: Regulation 16(16) of the LGPS Regulations 2013.

Whether to extend the 30-day deadline for member to elect for a SCAPC upon return from a period of absence from work with permission with no pensionable pay (otherwise than because of illness or injury, relevant child-related leave or reserve forces service leave)

Employer Policy Decision

The deadline for member to elect for a SCAPC upon return from a period of absence from work with permission with no pensionable pay is 30 days.

These policies may be subject to review from time to time. Any subsequent change in this Policy Statement will be notified to affected employees.

If the employer decides to amend the policy, no change can come into effect until one month has

passed since the date the amended policy statement was published.

Any changes to this policy will be notified to the Hampshire Pension Services within 1 month of the change.

Any application must be supported by a business case in writing to:

Executive Director of People

info@hispmat.org

HISP Multi Academy Trust

c/o Thornden School

Winchester Road

Chandlers Ford

Hampshire SO53 2DW

10: Purchasing Card Guidance

Prepared by Executive Director Finance/Head of Finance

2025 updates

No Updates since last revision

Overview:

Within this document we have outlined some guidelines for individuals to follow and adhere to where appropriate when acting as custodian of a HISP Multi Academy Trust purchasing card, alongside the individuals sign-up to confirm they are fully aware of their responsibilities.

Although we have laid down some guidelines within this document, individuals must also be aware when agreeing to this policy it is also in conjunction with the Lloyds instructions and policy documents

1. The purchasing card must only be used when no other method of payment is available
2. The card(s) must not be used for personal purchases. Misuse of the card may result in withdrawal of the card and disciplinary action, including dismissal
3. Individual pin numbers must be kept private and used only by the designated card holder, and never written down

Card Holder Responsibilities

1. Each card holder must sign and date a copy of this agreement and adhere to the guidance
2. Card holders must complete, sign and securely retain a copy of the Employee Undertaking declaration form attached. A copy should be given to the HISP Financial Accountant for retention
3. Each card holder is responsible for ensuring the security of their card. Cardholders must take all reasonable precautions to prevent loss or misuse including the following:-
 - Card holders must not allow any other person to use their card
 - Sign their card immediately upon receipt
 - Keep their card locked away until required
 - Never leave their card unattended
 - Never write their PIN down
4. All existing financial procedures must be adhered to as appropriate
 - a. All purchase card orders must be raised and authorised by a budget holder before being ordered and processed in the usual way – Copies of paperwork will be sent to the finance office on receipt of the monthly statement by return alongside a purchasing card log– failure to do so may result in removal of the card
 - b. If the cardholder takes annual leave at the end of a month, all paperwork should be
 - c. handed to the office before commencing leave, thereby ensuring the monthly statement can still be reconciled and paid in full
 - d. Lost or Stolen Card - The card holder is responsible for the security of the Lloyds Purchasing Card and the transactions made with the card. If the card is lost or stolen, these steps should be taken immediately
 - i. Call the Lloyds Card Services Helpdesk, (0800 096 4496) A customer service representative will block use of the card and order a replacement card with a new account number
 - ii. Notify the HISP Financial accountant

- e. Purchases of over £250 on the purchasing card should be agreed by the Head of Finance prior to the order being placed

5. Generic Guidance

- All appropriate and relevant documentation must be kept with regard to the card transaction, copies should be sent digitally to the finance office and not only reconciled with the monthly credit card bill at the end of each month, but retained for the standard 6 years plus current year
- The purchasing Card Log must be maintained and updated to include all purchases, and reconciled on a monthly basis
- Purchase Card direct banking entries will be processed by the finance team on the monthly basis, on receipt of the log and copies of the paperwork

6. Issue and safekeeping of Purchasing Cards

- The issue and reissue of purchasing cards must be agreed the Head of Finance
- Within Schools the Headteacher is responsible for the purchasing card that has been issued to their establishment.
- Purchasing cards will not be issued to, or be used by, any member of staff who has not signed a copy of this Policy document.
- Purchasing cards must be kept secure at all times and locked away safely when not in use.
- On planning to leave the employment of HISP Multi Academy Trust, the individual's purchasing card must be returned with a full account of any outstanding expenditure and the following cancellation process completed

7. Cancellation of the card

- When an employee is no longer required to hold a card, a cancellation of Employee Undertaking form must be completed and actioned as required, Appendix B as attached
- This must be done in advance, and / or as soon as a cancellation/leaving date is known for the individual
- The form must be signed by both the card holder, and the card holders manager or Headteacher, and must be returned to the Financial Accountant, who will then notify Lloyds of the cancellation

8. Damaged Cards

- If your card becomes damaged, a replacement card can be requested by contacting the HISP Finance Manager. You should follow the procedures as per card cancellations for your damaged card
- Once your existing card has been cancelled, the Finance Manager will receive a replacement card and arrange to forward it to you, where section 2 of this policy must again be revisited to ensure new documentation for new card is in place

9. Loss or Theft of purchasing Cards

- Inform the Head of School / Finance Manager as soon as it is known the card has been lost or stolen
- Contact Lloyds lost / stolen card line immediately on 0800 096 4496, quoting card number. A delay in contacting Lloyds may result in unauthorised use of the purchasing card for which the School may hold the card user liable
- If it is believed the card has been stolen, then the police must be informed immediately, being sure to obtain the report number

Limits

- Each cardholder will be assigned an individual credit limit. Outside of the finance office this will be £500 per month unless another amount is authorised by the head of finance
- The Headteacher will nominate the appropriate person within their school to hold the card
- Cardholders must keep within their credit limit and maximum order value of £250 unless agreed by the Head of Finance and must only spend within existing budgets agreed

10. Payment and budget coding

- a. The invoices for the purchasing card payments should be authorised by the budget holder. The purchasing card log should include which budget so that it can be coded within the finance system
- b. The HISP bank account will be charged each month for the total amount of the purchasing card statement
- c. The monthly bills will be counter signed by the finance manager, the paperwork and codes checked
- d. When completing the bank reconciliation HISP will that the correct amount has been charged to the bank statement

11. Monitoring

Use of purchasing cards will be subject to internal audit

Unauthorised use of purchasing cards will be subject to investigation and may result in the potential reclaim from the card user, withdrawal of card and / or disciplinary action.

If any fraudulent use / types of expenditure are identified (e.g. either made by the individual or as a result of 3rd party intervention), the police should be contacted for investigation (remembering to obtain a report number)

12. Further Guidance

- a. This document must be read by the card holder, appropriate Appendices completed and all procedures followed ahead of any formal application approval for a purchasing card

Annex A

Establishment:

Lloyds Purchasing Card Programme Employee Undertaking

Last Name:	
First Name(s):	
Post:	
Department	
Office Location	
Telephone Number:	
e-mail Contact:	

I declare that:

- I have received my Lloyds Purchasing Card and associated PIN, signed the back of the card as instructed and will keep it in a safe place at all times;
- I have received a copy of the Purchasing Card and Policy and understand my responsibilities
- I have read the policy and agree to comply with its requirements;
- I accept responsibility for the security, safe-keeping and confidentiality of the Purchasing Card issued to me;
- I undertake to use the Purchasing Card solely for business use
- If I leave the group with purchases outstanding on the card which cannot be reconciled with business use I agree to the outstanding monies being deducted from my final salary payment;

This Employee Undertaking will be applied in conjunction with the Trust's:

- Code of Conduct
- Disciplinary Procedure
- Financial Policies.

Staff are advised to read and refresh themselves of the above regulations.

Signed:	
Dated:	

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Annex B

Lloyds Purchasing Card Cancellation of Employee Undertaking

Last Name:	
First Name(s):	
Post:	
Location:	
Telephone Number:	
Purchasing Card No:	
Date Cancellation Effective	

I declare that I no longer require the use of the Lloyds Purchasing Card issued to me as above because (* - Please indicate reason):

- I no longer have a use for the card;*
- I am changing job;*
- I am leaving the Company's employment;*
- Other (please specify)*

◆ On the last day of use, I will cut my card in half / through the smartcard chip and return it to the Financial Accountant at HISP head office with this form notification to Lloyds of the date of cancellation

Signed (Cardholder):	
Dated:	
Signed (Cardholder's Manager):	
Print Name:	
Dated:	

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11: IR35 Guidance

Prepared by Executive Director Finance

2025 updates

All	New guidance included in manual due increase in engaging individuals
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Introduction

All public sector bodies, including schools, must ensure compliance with HMRC rules when engaging individuals or companies for services.

The budget holder wishing to use an individual or personal service company (A company with a single director and employee) is known as the Engaging Manager and is responsible for assessing whether a worker is an employee or self-employed and if IR35 applies and will be supported by the Finance team. This HMRC assessment determines if tax and national insurance (NI) must be deducted by a public sector organisation, failure to follow guidance, or deliberately misinforming the tool would be considered tax avoidance.

Our Trust will engage all workers and service providers in line with HMRC regulations and IR35 legislation. This applies to all engagements with individuals, suppliers, agencies, or intermediaries providing services across our Trust.

Key Principles

- Most workers in a school are employees, paid via payroll with tax/NI deducted.
- Occasionally, external workers or services may be needed. These must be engaged under a proper contract and determine if the worker is:
 - Self-employed
 - Operating via a limited or personal service company
 - Working through an agency

This decision affects how they are paid and taxed. Labels such as “consultant” do not determine status—only the actual working relationship does.

The Engaging manager needs to ensure safeguarding requirements are in place. Contractors are required to provide DBS/Safeguarding documentation or be supervised if within our schools.

The engaging manager needs to ensure that the contractor has correct level of insurance in place to undertake work for the Trust.

Why Employment Status Matters

Incorrectly determining status can lead to:

- Unpaid tax/NI liabilities
- Financial penalties, which will be charged to the School/Unit’s budget

Status must be assessed for all engagements to ensure compliance and protect public funds.

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Identifying Self-Employment can be complex

Someone is likely **self-employed** if they:

- Run their own business, take risks, and can make a loss
- Decide how, when, and where they work
- Can subcontract work and provide their own tools
- Are not directly supervised
- Work for multiple clients

Self-employed individuals are paid gross and handle their own tax via self-assessment.

Partnerships

Where two or more people jointly run a business and share profits/losses. Each partner pays tax on their share.

Working Through Agencies

If the agency employs the worker, the agency deducts tax/NI and bills the Trust.

If the worker operates via their own company and the agency does not deduct tax/NI, the Trust must assess IR35 status and ensure proper deductions are made.

Intermediaries (e.g., PSCs)

Many workers operate through a Personal Service Company (PSC)—a limited company with one director.

IR35 ensures such workers don't avoid tax by appearing self-employed.

The Trust must assess the status and deduct tax/NI if IR35 applies, even if the invoice is from a company.

Engaging Manager Responsibilities (assisted by the Finance Team)

Before work begins, the Engaging Manager must:

- Assess employment status using HMRC's Check Employment Status for Tax (CEST) tool.
- Complete CEST for each contract.
- Keep records of the CEST results and provide the worker with a Status Determination Statement (SDS).

When to Check Status

Always check **before** engaging anyone to clarify how they'll be paid and their employment status.

Reassessing Existing Workers

Even if a worker has been previously paid without deductions, a new status check is required.

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CEST Process: The CEST tool [CEST](#) must be completed by the Engaging Manager, not the worker. You'll need:

- Contract details and working practices
- Information on **how** you are intending to contract the service eg. decision-making authority, payment terms, benefits and whether you would accept a substitution, is there management authority to act?

CEST gives one of four results:

1. Employed – tax/NI must be deducted
2. Self-employed – pay gross via accounts payable
3. IR35 applies – deduct tax/NI via payroll
4. IR35 does not apply – pay gross via accounts payable

If the result is "Unable to determine", contact finance@hispmat.org.

What Each Outcome Means

Outside IR35 (Outcomes 2 & 4)

- Supplier is genuinely self-employed
- No tax/NI deductions
- Submit CEST/SDS and invoice to Finance Team – new supplier may be required

Inside IR35 (Outcomes 1 & 3)

- Worker is deemed an employee for tax and will need to be paid via payroll net of Tax and NI
- Inform worker SDS result
- Contact HR team hr@hispmat.org
- Submit completed forms, SDS/CEST result. Will require casual employment and checks completed
- Notify HR when engagement ends

Note: The Trust also pays employer's NI, which will increase the cost of the assignment.

Pre-Engagement Checks

All workers (including agency staff) must undergo the same checks as employees:

- ID and right-to-work
- DBS certificate
- Verified references and qualifications
- Registration with professional bodies (if required)

15. Disputing Status Determination Workers can challenge their SDS within 5 working days and engaging managers must review and respond within 45 days. During this time, the original determination remains in effect and payments are paused.

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12: Related Policies/Documents linked to this document

HISP Muti Academy Trust Scheme of Delegation (website)
HISP Multi Academy Trust Safeguarding Policy (website)
HISP Multi Academy Trust Whistleblowing Policy (website)
HISP Multi Academy Trust Code of Conduct
HISP Multi Academy Trust Master Funding Agreement with DfE
DFE Conditions Methodology and spend guidance.
DFE Academy Trust Handbook

Policies can be found [Here](#) DfE guidance can be found here: [Here](#)

13: Forms mentioned in this manual can be found [HERE](#) (to follow Summer 2025)