**Financial Procedures**

**2022/23**

Plymouth CAST Financial Procedures 2022

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INTRODUCTION

The following financial procedures are to be followed by all Plymouth CAST staff, who are involved in any aspect of the Trust’s work that involves transacting on its behalf and/or individual schools within it. These procedures should be read in conjunction with the Financial Policy and Regulatory Framework of the Trust, which is also updated annually.

If you have any queries relating to these procedures, please speak with either the Central Finance Team or the Trust Finance Manager and they will be able to assist.

SCHOOL BASED ACTIVITIES

Typical financial activities within the Trust schools:

 Purchasing of goods and services

 Occasional supplier sourcing

Use of school credit cards

 Handling of petty cash and cheques (currently being phased out)

 Maintenance of school fixed asset register and inventory

 Correct treatment of charity/donations Income

 Completion of travel and subsistence claims

 Compliance with the Trust asset policy

1. ORDERING OF GOODS

1.1 An order placed by the Trust is a legal agreement that in return for the supply of the requested goods and/or services we will pay the supplier an agreed sum. Individuals acting outside of the guidelines detailed below may leave the Trust open to legal action by suppliers and may also lead to disciplinary action being taken against those staff concerned.

Purchases must be requested through the Trust finance portal and only by authorised staff. At school level purchase requests will typically be authorised by a Head Teacher, Executive Head Teacher, School Head, Acting Head Teacher or School Business Manager. Higher value orders are approved by Plymouth CAST’s Chief Finance Officer (CFO) or the Chief Executive Officer (CEO). Exceptions to this rule are only via written approval, in advance, from the CEO’s Office and these exceptions must be subsequently reported to the Audit Committee.

**Under no circumstances can the Trust be used to purchase items for the private use of individuals. Private goods should not be ordered to arrive via the Trusts goods inward system as the Trust accepts no responsibility for any private goods which are lost, damaged or returned to the originator.**

Goods and/or services should not be procured:

* + By staff paying for goods then seeking reimbursement (separate rules apply to expense claims and petty cash)
	+ Order goods and/or services without a purchase order first
	+ Indicate that the Trust and/or individual school will accept liability for goods ordered or implied contracts which do not comply with the procedures outlined above.

1.2 Raising a purchase order (PO) for goods and/or Services

Purchase orders are required for all goods and/or services supplied to the Trust and must be ordered using the following guidelines:

* + Orders should be prepared to allow goods to be received and payment made in the relevant financial year, where possible
	+ Goods and/or services are only requested by completion of a purchase request through the finance portal, unless where a credit card is used, in which case a purchase request form must be completed and signed by the Head Teacher, Executive Head Teacher, School Head or Acting Head Teacher
	+ Where ordering from a freelancers/sole traders and/or contractors, an IR35 assessment must be completed prior to placing a purchase order.

NOTE, SUPPLIERS AT THE POINT OF ORDERING GOODS, SHOULD BE ADVISED OF THE TRUST STANDARD TERMS AND CONDITIONS FOR PAYMENT (30 DAYS FROM RECEIPT OF INVOICE).

GOODS CANNOT BE ORDERED IF IT WILL RESULT IN A BUDGET OVERSPEND. IF A VIREMENT IS REQUIRED PLEASE OBTAIN APPROVAL FROM THE CFO AND NOTIFY THE TRUST FINANCE MANAGER.

1.3 Goods and/or services which do not require a purchase order

 The following goods and/or services do not require a purchase order:

* + Utilities
	+ Insurance
	+ Business Rates
	+ Charity payment / Donations
	+ Petty cash purchases (prior budget holder approval is required)

Note, there are expected to be extenuating circumstances which justify the absence of a purchase order and/or items perhaps not listed above and in such circumstances, please contact the Central Finance Team for guidance.

1.4 Contracts and leases

All contracts and leases (including renewals) are required to be signed-off by the CFO, procured with a purchase order (annual purchase orders should be raised) and the relevant information added to the contracts / lease register. **All contracts and leases are governed by the same Best Value Procurement Procedures as any other purchase.**

Before proceeding, staff should check that:

* + Subscriptions, maintenance agreements and / or licenses are still appropriate / required
	+ Services being charged for are being received in accordance with the terms of the contract and where licences are concerned, we still retain access / use of the product for which the licence is held
	+ Charges are in accordance with the terms and conditions of the contract / lease, such as price increases linked to RPI, CPI or an agreed percentage.

1.5 Best Value Procurement Procedures

 **Please note, this applies to both regular purchases as well as contracts and leases.**

For goods or services costing £1,100 up to £5,500, no quotes are necessary but the Trust requires evidence of best value to support this (e.g. market price comparison).

For goods or services costing £5,501 up to £27,500, a minimum of two quotes (email quotes sufficient) are required.

For goods or services costing £27,501 up to £99,999, three formal quotes are required.

For goods or services costing £100,000 and above, a full tendering process must be conducted.

 **All quotes must be attached to the purchase order on the portal.**

**For goods or services costing £27,501 and above:**

Where it can be demonstrated that all practical efforts have been made to provide three quotes for goods or services costing £27,501 or over yet suitable suppliers have not been found, a proxy quote can be used as a third quote. This could be sourcing a quote supplied to a similar sized trust school, for a comparative piece of work, quoted within the last 12 months. Or, benchmarking cost/quotes secured through DfE Frameworks can also be used as a proxy quote. It is expected that at least two like-for-like quotes will be provided for purchases over £27,501, unless the criteria for exceptional circumstances (below) is met.

Only under exceptional circumstances such as because of there being either a single specialist supplier or where works need to be undertaken at extremely short notice (e.g. storm damage), can these procedures (in consultation with written CFO approval) be waived.

1.6 Requests for Travel Bookings

All business travel and accommodation must be pre-agreed and align to the Trust Expenses policy. For individual schools this can include ensuring travel and accommodation spend does not exceed the annual budgeted allowance. Travel bookings should be made as early as practically possible and demonstrate the best value for money. Travel and accommodation costs can be reclaimed through expenses, in line with the agreed limits.

1.7 Payment at the Time of Ordering

 Payments in advance of the receipt of goods poses a risk for the following reasons:

* + We may not receive the goods or services in full or at all
	+ Disputes are often difficult to resolve and we are legally vulnerable.

The practice of paying for goods or services in advance should be seen as an absolute last resort. The only instance advance payment occurs is when goods or services are not available from an alternative supplier, who is able to be paid after the goods or service has been supplied.

1.8 BACS Payment

The Trust does not permit the method of paying for goods by cheque or taking-out credit and individual schools are not authorised to use these methods except in exceptional circumstances and with the approval of the CFO. BACS Payment is the main method of payment for Trust suppliers, offering greater flexibility and security in almost all cases and is managed through the CAST Central Finance Team.

1.9 Purchases Using Corporate Credit Cards

The Trust operates credit cards supplied by Lloyds bank for the use of exceptional and incidental spend. Credit cards are issued in the name of the Trust, with the name of the individual card holder. Credit cards are limited to a maximum monthly spend of:

* School admin teams - £500 (this is the max. but may vary between schools)
* School Business Manager - £2,000
* Primary Heads - £2,000
* Secondary Head - £5,000
* Director of Education - £3,000

 No member of staff may use a Trust credit card to purchase personal items. The cards must not be used to purchase alcohol, illegal items, or any purchase which could bring the Trust into disrepute. At no time should cash withdrawals or personal purchases be debited to a Trust Card, except with express permission of the CFO.

 If any of the limitations listed above happens in error the Trust must be reimbursed immediately. School credit cards are expected to remain on the school site, securely locked away when not in use, avoiding accidental or fraudulent use.

Where purchase of travel fares in advance are concerned (coach, train or flight tickets), prior approval must first be sought with the School Business Manager and paid with the credit card, rather than paid by the employee and reimbursement via expenses claim.

 Reasonable precautions should be taken to prevent fraudulent use of a card. For example, PIN numbers should not be written down or disclosed to third parties and cards should not be used by anyone other than the designated Cardholder.

Once per-month statements will provide the cardholder with details of their transactions. These should be coded (using the appropriate expenditure and budget codes) authorised and countersigned by the Head Teacher or line manager. All receipts relating to the transactions should be attached to the statement and retained by the school. If any particular transaction is for the hospitality of visiting staff, then full details of those who attended, the organisations they represent and the purpose of the entertainment must be provided.

 The use of credit cards for the following uses is expressly forbidden and any cardholder found to be misusing a card could be subject to the card being withdrawn and/or disciplinary action:

* + Purchase of alcohol and tobacco products
	+ Purchase of any illegal materials
	+ Purchase of any items deemed to bring the Trust into disrepute, in-line with the Trusts HR policies
	+ Purchase of goods/services for personal use.

 The CAST designated finance officer/business manager allocated to the school must receive approved statements, complete with all receipts, within 10 days of the notification of the statement being available.

In the event of the cardholder leaving the Trust, the cardholder must return the card along with the final statement fully approved and receipted. If any transactions do not comply with the above, then the Trust is entitled to recover these costs via a deduction from the card holder's salary. The card holder will be notified prior to any such deductions being made. Repeated or extreme misuse of any card will result in the card being suspended or terminated.

1.10 Use of Sole Suppliers

 There will be occasions when only one supplier is available, possibly due to the complexity of the goods being sought or as provider of support or maintenance agreements to existing equipment. On these occasions staff requesting goods may indicate that the items are from a ‘sole supplier’. However, school business management staff are obliged to check if goods are available from another source and auditors will often test that goods are indeed only available from one supplier. In the event that goods are requested from a sole supplier who turns out not to be the only agency able to supply the goods the person completing the order form may be asked to explain their assertion on the purchase order form to Trust senior managers or the Audit Committee.

1.11 Use of New Suppliers

New suppliers must be set-up on the finance portal prior to ordering services and/or goods; staff should ensure sufficient time to vet new suppliers before requesting they be set-up. Before requesting a new supplier be created, staff should liaise with the CAST Central Finance Office to confirm whether the organisation is already set up and if they are a sole trader, complete an IR35 prior to requesting they are set-up and attach it to the request.

Requestors should provide all required information on the finance portal to enable the Central Finance Team to complete the requested set-up. Always ensure that you complete an IR35 check where necessary (see above section).

Where existing suppliers request a change of details, an email alone should not be relied upon for communicating these and verified with a call to an established person at that organisation, on a previously used telephone number. This also applies to changes to staff banking details; verify with that member of staff **verbally**.

1.12 Completing an Order

 If before the goods arrive, they are no longer required for any reason, the school should inform the supplier immediately, and ascertain if any charges will still have to be incurred by the Trust.

 The completion of an order usually leads to a restocking charge made by the supplier to the customer. This, together with any carriage charge will need to be paid by the school. The designated finance support must be advised to ensure the order is completed on the system.

1.13 Delivery of goods

Goods should be delivered to the individual school. The School Administration team are responsible for checking the goods. Items should be ticked off against the goods received notes on the finance portal thus ensuring that the delivery documentation is an accurate record of goods received. No invoice will be approved on the finance portal unless goods and/or services are goods received.

 If the delivery of goods relates to part of a purchase order the School Administrator must only goods receipt the goods/services which have been delivered so that invoices are not paid in advance of goods being received.

1.14 Damaged Goods

 If goods received by a school or department are damaged, or not in a satisfactory condition, the School Administration team should in the first instance refuse delivery of the goods and request the supplier re-issues the goods. If goods have been received unchecked the School Administrator should ensure all original packaging is retained (especially with furniture and office equipment).

 Please note that if goods, which aren’t faulty or damaged, are returned for whatever reason, then most suppliers will charge the carriage cost and the cost of restocking the item. This is standard procedure, and the cost will be allocated to the individual school.

2. AUTHORISATION OF INVOICES

2.1 Approving an Invoice

All invoices should be sent direct to Plymouth CAST Central Finance for payment. If invoices are received at the school they should be returned to the supplier, with the pro forma rejection letter requesting the supplier to invoice directly to Plymouth CAST Central Finance. Where the invoice relates to an order that has a complete GRN (Goods Received Note) in the system, the Cast Central Finance Office will arrange payment using those filed details. Where a GRN is not complete, the financial systems will automatically withhold payment until it has been GRN’d on the finance portal. Before authorising invoices for payment / completing a GRN please check:

* + That the invoice relates to goods which have been delivered, if they are not, you may be liable for the payment of these goods.
	+ That the prices charged on the invoice are correct. This can be done by agreeing the price on the invoice to the quote on the purchase order.
	+ That any amendments to the original purchase order are correct (e.g. where a credit note is issued).
	+ If the applicable VAT has been correctly charged.
	+ The coding information on the order is correct.

If goods have to be returned, please ensure that the Purchase Ledger Clerk is made aware that the invoice is in dispute so that it can be put on hold e.g. three items have been ordered and one is sent back but the goods have been GRN’d. It is incorrect to: (a). Assume companies will automatically issue a credit note. (b). That we will trade with a company again to make use of an earlier credit note. (c) That we will pay for goods which we have not accepted i.e. we cannot sign any paperwork stating that goods and/or services have been provided that are unsatisfactory. Note, invoices will not be paid until all outstanding actions are completed, where there is a dispute.

The correct use of purchase orders and goods receipting helps ensure invoices can only be paid once and avoiding fraud. Schools should beware of proforma invoices, and mark them up accordingly, to avoid any risk of duplicate payment associated with a proforma invoice.

2.2 Actioning Invoices

Invoices that are delayed for payment can cost the Trust money (loss of discounts and/or penalties), cause distress to small traders and can harm the reputation of the Trust. It is important all suppliers are advised to issue their invoices promptly to Plymouth CAST Central Finance Office. Should suppliers issue invoices to the school, the Administrator should contact the supplier as soon as possible and request the invoice is re-issued to Plymouth CAST Central Finance Office.

If there is a particular reason why an invoice cannot be approved, for example if there is a dispute relating to the quantity or quality of the goods supplied, the CAST Central Finance Office should be alerted. They will then be able to advise the supplier’s accounts department of the reason for non-payment and, if possible, negotiate waivers for any penalties or the retention of any discounts that may have been offered. Staff with invoice authorisation responsibilities (mostly Head Teachers) are expected to either approve or reject invoices in the Access Dimensions portal within one week of receiving the invoice. In cases where invoices are not actioned promptly without good reason, the school concerned may be asked to provide details to the CFO. Head Teachers must ensure invoice approval authority is delegated within Access Dimensions for any period of absence, including school holidays. Head Teachers must get agreement from the member of staff taking on the delegated approval before this is activated in Access Dimensions. School Administrators should ensure there are no outstanding invoices for approval in the portal at the end of each term.

 2.3 Signing Contracts

All Trust contracts and maintenance agreements must be signed in accordance with the rules detailed in Finance Regulations and Policy document. For the avoidance of doubt do not sign contracts or maintenance agreements without first checking with the Trust CFO or Finance Manager.

 It is essential that contracts that are coming to an end are reviewed in a timely manner, and no later than 3 months before the expected end date. This will enable alternative quotes to be achieved to ensure best value and give time for approvals to take place.

The contracts database is now active on the finance system and schools are required to complete the fields requested when setting up a contract.

3. INVOICES FOR WHICH NO ORDER HAS BEEN RAISED

There are occasions where purchase orders are not required (see section 1.3) but if there is any doubt, please contact the Central Finance Team for guidance. Retrospective purchase orders do not provide the same safeguards and/or audit trail required for the Trust and may result in disciplinary procedures / intervention by the CFO, where staff continue this practice, despite being consulted on the matter. Raising value-only orders should only be done with large contracts, where the same service is being provided routinely (e.g. catering), the reason being that a supplier could send in more than one invoice for the same item (e.g. a copy invoice) and that both invoices could be authorised for payment and possibly both paid.

If an invoice for goods and/or supplies is received and there has been no purchase order, the CAST Central Finance Office will seek an explanation from the individual who placed the order for a reason why. Plymouth CAST Central Finance will also seek reassurance that any deemed breach of policy will not be repeated. In the event of repeated breaches of Trust policy, The Trust may issue disciplinary procedures for breach of financial policy and may result in intervention by the CFO.

4. BACS/FASTER PAYMENTS

Circumstances may require payments direct from the Trust bank account but only after supporting evidence is provided (justifying payments outside of the normal purchasing process) and approved by the Trust Finance Manager and/or CFO. These transactions are entered to the financial systems only by the Central Finance Team. Emailed payment requests will be verified by a follow-up telephone call by the Central Finance Team to confirm authenticity of the request.

5. CAPITAL PURCHASES

 Capital purchases are made through Plymouth CAST Central. Schools do not hold capital budgets (with the exception of specifically allocated government capital grants). No purchase orders should be made by the school for capital purchases.

 Schools are permitted to hold revenue budgets for small scale repairs and maintenance and use of these budgets should comply with the purchasing procedures above.

 Any request for capital investment in an individual school must be made via Plymouth CAST’s Premises and Procurement Officer for approval and support with supplier selection.

 Where schools have an individually allocated capital grant, all purchasing must still comply with the above regulations.

6. SALES INVOICES

6.1 Raising of Sales Invoices

Please create an invoice template on your school letterhead (example attached) which includes:

* + The Trust names and address
	+ Name & address of customer
	+ A unique invoice number
	+ Date goods or services provided (tax point)
	+ Description of what is being charged for & detail e.g., dates of hire for lettings
	+ Amount (include any VAT if this is payable. Please check with your Business Manager if unsure).
	+ Income code
	+ Please ask for a remittance advice to be emailed to finance@plymouthcast.org.uk
	+ Request BACS payments to be paid to Plymouth CAST, 30-80-37, 11370262

If payment must be made by cheque, please request that this is payable to “Plymouth CAST” only. Unfortunately, Lloyds Bank will return any cheques banked payable to individual school names or numbers e.g., “Plymouth CAST 125”

For the secondary schools, invoices are raised on Dimensions and sent out by the School Business Manager but this is also the case for some primary schools. It is best to consult your School Business Manager to clarify who should be raising the invoices for your school.

Once the invoice has been created, please email a copy to the customer copying in finance@plymouthcast.org.uk. Once the central Finance Team receive this they will add it to the sales ledger and match the payment arriving in the bank account. The Central Finance Team will then process a receipt on the sales ledger and allocate it to the invoice and advise you payment has been received.

If you haven’t done this before and you are unsure what you’ve done is correct, please send a draft of your invoice over to the Central Finance Team for checking before sending to your customer.

 Sales to parents and carers are not included under this category; see 6.3 Student Support Income.

6.2 Credit Notes

 There may be occasions when the amount CAST Central Finance have been requested to invoice are found to be incorrect. This may arise because of the cancellation of, say, one booking out of a block hall hire booking, because of a change of requirement for an ad hoc hall hire booking or because an incorrect rate was quoted. In these situations the School Business Manager raising the original invoice should send a note to the CAST Central Finance Team detailing the request for a credit note to be raised. The request should include full details of the debtor, the reference of the original invoice and its amount (stating if the credit is for the full amount or a partial credit), the reason the credit is being raised and the amount to be credited. The credit note must be raised against the same cost centre and nominal detail as the original invoice. The authorised budget holder should authorise the request, which will be further authorised by the CFO.

Credit notes should not be used to clear debts that are not being paid or are being disputed. Any such debt should either be regarded as a request for write off or as a bad debt and should be notified to the CAST Central Finance Team by the School Business Manager or other designated staff member.

6.3 Pupil Support Income

 Whilst the majority of transactions pertaining to the provision of goods and services to external organisations can be billed through the process above, the provision of student support goods and services is treated separately.

 Pupil support income is defined as any payment made by the parent or legal carer of the pupil, either via on-line or cash payment. It includes payment for catering, extra-curricular clubs, wraparound care, books, uniform, payment for trips, and residential courses.

School Administrators should record all on-line and cash payments, issuing receipts for cash payments if a third-party cash receipting system is not in place (e.g. Parent Pay). The payment details must then be FWD to the Central Finance Team for entry to the ledger immediately or within the same week a query has been raised by the Team requesting information for income received. Income must be recorded using the ledger codes that matches the income description.

6.4 Pupil Indebtedness to the Trust

 Pupils or their parents/carers may incur charges for a number of different goods and services as listed above. Where possible the school must insist on payment ahead of the provision of goods and services.

 If indebtedness occurs, it is important that staff involved in any aspect of these areas make it clear to the parents/legal guardians that it is their responsibility to clear any debts. Some charges may be recovered in instalments via a financial agreement. Once made these agreements should be adhered to or the student faces action including withdrawal of facilities.

 The key is to ensure that parents/legal guardians are made aware that they should seek advice from the School Business Manager and seek to make agreements to clear their indebtedness.

 If the school has concerns that student indebtedness might be an indication of financial hardship in a family, the Designated Safeguarding Lead should be confidentially consulted, and the school should apply its Pupil Premium policy as deemed appropriate.

7. HANDLING OF CASH AND CHEQUES

7.1 General

 In the event schools receive cash or cheques:

* + All customers of the schools and Trust who pay with cash / cheques must be given a Plymouth CAST approved receipt
	+ Wherever possible, schools are encouraged not to deal with cash but to encourage direct payment by online services (parent pay, including alternative school cash handling services) or bank transfer
	+ Cheques should be made payable to the Plymouth CAST, where the payment is made into the main bank account with the provided paying-in books
	+ Money paid at school should be recorded in a paying-in book by the School Administrator:
* The paying in book should note the receipt numbers against which the income relates
* A full description of the nature of the funds must be recorded in the paying in book.

7.2 Staff Protection

 Staff handling cash as part of their duties should take particular care when dealing with public money. Staff, who adhere to the above rules should protect themselves against any claim, including allegations of a frivolous or mischievous nature, of any financial impropriety.

 Failure to follow these guidelines may lead to accusations of improper action and these can, if proven, lead to disciplinary action. All staff are therefore encouraged to ensure they comply with all the guidance offered in these regulations. If staff are approached in an improper manner about any financial issue, or if they are unsure of how to deal with a monetary matter affecting the Trust, they should report the matter to the CFO immediately.

7.3 Charity Income and donations

 Schools wishing to collect monies on behalf of charities must ensure all collections on-site are compliant with the Charity Commission guidance on collection best practice. All other cash collections should be in accordance with cash management procedures detailed above.

Schools can collect two types of charitable income, the first is for the benefit of the school and is treated as a donation, the second is for the benefit of a separate charitable organisation. Any cash or cheque payments received must be paid into the Trust bank account and a record retained of the value of each donation and its purpose. For charity monies raised there must be a clear audit trail as to why we chose a particular charity/recipient and correspondence confirming what and how the funds are to be used for.

When either making donations or paying over raised charity income, where possible, it is preferred the School Business Manager’s credit card is used to do this, instead of setting-up a new supplier on the system. **Schools are responsible for monitoring if they have transferred cash raised to the selected charities they have raise monies for.**

8.0 TRAVEL AND SUBSISTENCE CLAIMS

8.1 Travel

 When travelling, public transport should normally be used.

Home to place of work travel - Staff are responsible for the cost of all travel between their home and their normal primary place of work.

 Journeys between Home and Temporary Place of Work - If you can demonstrate that your journey from home to a temporary base (or vice versa) incurs excess travel costs, the excess costs will be reimbursed. Full details of the excess costs must be provided on your expense claim.

Private Cars - Staff may use their private cars for school purposes, including inter site travel, and will be reimbursed at the appropriate rates set by the Trust. Staff must ensure they have business insurance cover if they are using their cars and a copy held on file.

 Personal travel and incentives linked to Plymouth CAST Trust as part of a business trip is discouraged and in any event, only allowed where such travel actually reduces the cost of business travel e.g. staying a Saturday night to take advantage of a lower cost fare. Where additional costs are incurred e.g. Saturday night in a hotel, the individual employee must meet these. Adequate private travel insurance must be held. Weekend accommodation will be paid where the traveller is unable to return home as part of a longer business trip.

Travel with a spouse or partner - If a spouse or partner who is not involved in Plymouth CAST Trust accompanies a member of staff, the traveller must bear the cost of their spouse / partner. It is not permitted to downgrade the travel or accommodation booked in order to fund travel costs for a companion or incur additional costs charged to the Trust by upgrading accommodation for example.

 When using public transport or private car hire, staff should seek the most cost-effective rate to secure safe travel. Membership of a frequent traveller scheme must not deflect from using the most cost-effective option presented. Plymouth CAST Trust will not reimburse frequent traveller membership fees.

 Expense claims need to be approved by the designated line manager.

8.1.1 Private Cars & Driving

 Any parking, Road Traffic Act fines, congestion fines or penalties incurred are the personal responsibility of the member of staff and will not be reimbursed by Plymouth CAST Trust.

 Drivers will be reimbursed for Congestion and Toll Charges incurred subject to production of receipts, where available. Congestion Charges will only be reimbursed at the daily rate, so the driver must ensure that payment is made before the deadline. No tolls or congestion charges can be claimed for travel between home and work.

 Drivers must ensure that their private vehicle is adequately insured for appropriate business use, as the driver is personally liable for any incident.

Mileage will be paid at the published HMRC rate, or alternative rates approved annually by the Trust. When traveling on business by car, directly from or to your home, you must deduct your usual home to work base mileage from your mileage claim. This is a requirement of HMRC. The current rates are in the expenses policy:

|  |  |  |
| --- | --- | --- |
|  | Car | Motorcycle |
| Up to 10,000 miles in a tax year | 45p  | 24p  |

8.1.2 Taxis

 When travelling by taxi, a receipt must be obtained. Where possible, the claimant should obtain prior approval from their Line Manager before using a taxi. Travel by taxi should be kept to a minimum and normally only used under the following circumstances:

* Where no public transport is available
* Where heavy baggage or equipment is being transported
* When a member of staff has a temporary or permanent mobility issue
* Where personal security is perceived to be an issue.

8.1.3 Rail

The normal UK class of rail travel is standard class. Authority to travel first class should be sought from the individual’s Head Teacher and line manager and will only be approved where it can be demonstrated that first class represents the best value for money. This may also be approved where the authorising line manager considers there is a need for a working environment; use of portable computer equipment for example, is justified given the length of a journey, nature of journey and cost of journey.

 Train travel must be pre-approved by the Head Teacher for Teaching and Support Staff. Head Teacher and CAST Central train travel must be pre-approved by the traveller’s line manager.

Tickets should be purchased via corporate credit card, where possible. Staff are expected to see the most economic terms available and should ensure they procure the appropriate class of travel (see details above). Significant savings can be obtained by specifying outward and / or return journeys at time of booking. Staff must retain receipts for credit card reconciliations and / or expense claims and these should be given to the School Business Manager / line manager.

8.1.4 Air

For travel within mainland UK / EU destinations rail is the default mode of travel, unless flying is a more cost effective (including time cost) solution. Staff should fly economy class.

Travel should be booked via the School Business Manager / Administration Manager when approval has been given by the Head Teacher. Significant savings can be obtained by specifying outward and / or return journeys at time of booking. Some airlines will also allow changes to fixed tickets for an additional charge and this may be cheaper than buying a flexible ticket. Fully flexible tickets should only be requested when absolutely necessary. Staff must retain receipts for credit card reconciliations and / or expense claims and these should be given to the School Business Manager / line manager.

8.2 Subsistence

 If the duties of a member of staff fall outside one of the premises of the Trust, then additional expenditure that is necessarily and exclusively incurred by that member of staff, will be reimbursed as follows.

The rates of travel and subsistence allowances described below also apply to members of the Trust Board of Governors, Local CAST Boards and its committees who are engaged on official business.

When staff are working away from the school and meals are not provided as part of the purpose for travelling (e.g. attendance at a conference), staff may claim the actual cost of relevant meals on presentation of receipts, up to the limits (including VAT and service) outlined in the expenses policy. All claims must be supported by appropriate detailed VAT receipts and / or invoices.

Staff are only entitled to claim breakfast expenses where work commitments have required they leave their home before 07.00hrs. Dinner claims where work commitments have required the staff member returns home after 20.00hrs.

 **The Trust will not pay for any alcohol.**

All claims, whether on the individual meal or daily allowance basis, for subsistence must be supported by valid receipts. Original receipts are required and must be fully broken down into constituent elements of the expenditure on claims. Claims can only be made up to the value of the receipt.

If certain meals have been provided for you, such as breakfast being included in the accommodation charge or location catering provided for lunch, only meals paid separately may be claimed.

If a member of a team pays a bill on behalf of the other members of staff, details of the reason, location and the names of staff present must be shown on the expenses claim. Claiming shares of joint expenses is not permitted under any circumstances. Claims cannot exceed the number of staff multiplied by the relevant per head cost for the type of meal.

8.3 Hotel Accommodation

Hotel accommodation will be reimbursed subject to the production of receipts and in line with the following guidance although use of corporate credit cards (purchased in advance) is the preferred method, with prior approval of a School Business Manager / line manager:

 Hotel accommodation should be fit for purpose i.e. comfortable without being opulent and it should be safe. Plymouth CAST Trust will pay for the cost of a standard single room with bathroom facilities.

 Beverage costs will be reimbursed but **alcoholic drink expenditure will not be refunded**.

The cost of the room should not exceed the limits detailed in the expenses policy. These limits will be the maximum claimable, with receipts, unless there has been prior approval of your line manager, after special consideration of the circumstances.

8.4 Entertaining

Entertainment is anticipated for the sole use of the CEO. Reasonable entertaining costs for staff and guests may be claimed on production of receipts where visitors are present for an official / professional purpose. This is acceptable where attendance is judged likely to be beneficial to the Trust and the expenditure is considered to be the only way in which the Trusts organisational interests may be moved forward.

 The general guidelines, detailed below, relating to entertaining visitors, should be followed:

* The normal maximum costs of entertainment, including wine, vat and taxis is to be limited to a maximum of £30 per head, subject to the production of full receipts. Gratuities will not be reimbursed without the express approval of the CFO. Where this sum is likely to be exceeded authority is to be sought, in advance, from the CFO.

 Claims for reimbursement of entertainment expenditure should include the following details:

* + The names of those attending (visitors and hosts)
	+ The organisation the visitors represent
	+ The purpose of the entertainment
	+ A break-down by expenditure type.

8.5 Staff Events

 Periodically Head Teachers may authorise their staff to attend team development events. These should be approved by their line manager before arranging. In the case of the CEO, the event should be authorised by the Chair of the Board. Costs of the food, drink, travel, hire of premises may be charged in these instances. No costs relating to a Christmas party or equivalent annual function may be charged to the Trust.

 Claims relating to staff and team development must be processed and approved by the claimants lines manager as an expense and will be paid via payroll.

8.6 Plymouth CAST Forms to be completed

 The following procedure is to be adopted for claiming travel and subsistence payments:

* + A standard Plymouth CAST claim form must be completed – memos or letters are not acceptable.
	+ All receipts must accompany claims, no reimbursements will be made without a valid receipt. Receipts should contain full details of the service provided and include the following:
		- Suppliers name and address i.e. Hotel
		- Date of the transactions
		- Full itemised details of service being provided i.e. Room, breakfast, phone calls…etc.
		- Whenever possible, a VAT receipt should be provided and always requested.

 Credit card vouchers and statements are insufficient and will not be accepted as a receipt. Similarly a receipt with no details of the supplier will not be accepted.

* + Individuals should claim their own expenses. In exceptional cases claims for other individuals should be accompanied by full details of their name, what was purchased and the reason they are not claiming their own expenses
	+ Travel claims should relate to one person only, joint claims should not be submitted. If travel costs are incurred by one person for more than one traveller, the person paying the travel must make the claim in its entirety. The claim must be approved by the claimant’s line manager. Nobody can approve a claim where part or all of the travel cost pertains to themselves
	+ Allowances should not be claimed for individuals from other institutions or for ‘private’ individuals
	+ The form must be completed and signed by the claimant to state that the expenses have been claimed in accordance with the Plymouth CAST rates, are supported by valid receipts, and relate to official Trust business
	+ Completed claims should be checked and authorised by line managers and should be evidenced by their signature. Claims for the CEO are approved for payment by the Chair of the Board. Claims for members of the Board are approved for payment by the Chair of the Board. Claims for the Chair of the Board are approved for payment by the CFO
	+ Claims should be submitted as soon as practicable after a trip
	+ Claim form should be passed to payroll for processing.

8.7 If receipts are not available

It is the responsibility of staff to request a receipt to support claims. Generally if a member of staff cannot, for any reason, provide receipts to substantiate expenditure, claims over £100 will need to be approved by the CEO, below that approved by the CFO. No payment will be made until the matter has the required approval and payment without receipts will only be approved in exceptional circumstances.

9. OVERSEAS TRAVEL

 The following procedures apply to overseas journeys and assume the necessary authorities have been obtained for the journey:

* + Accommodation and subsistence claims will be refunded against actual expenditure subject to production of receipts
	+ Claimants should use the standard Plymouth CAST expenses claim. However, a supporting schedule is also required to provide additional information including:
	+ A list of dates and itinerary
	+ Amounts claimed for each day broken down by type of expense i.e. Meals, accommodation…etc.
	+ An explanation of the item including, where appropriate, a translation of the item shown on a bill.
* The expenses form must be signed by the individual as proof that the sums claimed are valid business expenses incurred and must be authorised by the CEO.

Where possible, purchasing in advance using corporate credit cards is the preferred method for travel and accommodation and must be pre-approved by the traveller’s line manager.

10. FIELD TRIPS

There are occasions when staff will take students on field trips either within the UK or overseas. Whilst these trips can be both enjoyable and educationally rewarding, they do require a high degree of planning and careful administration. These notes are not designed to be exhaustive but they do provide guidance on key areas to be considered. **All trips must have trip booking request forms completed prior to going ahead.**

10.1 Approval

It is important the trip is authorised in advance, in writing, through the normal Trust channels. No trip will be approved unless it meets the requirements of the Trusts health and safety procedures.

10.2 Financial Planning

The costs of the trip must be covered by the income (from parents) and any contribution being made from voluntary donation or school resources. It is essential that students are asked, in advance, for their contributions and that these prove adequate for the total costs likely to be incurred.

10.3 Collecting payments from parents/legal carers.

It is essential that funds collected from students are properly accounted for. Students should be aware of the total cost of the trip and, ideally, pay a non-returnable deposit for the unrecoverable cost of the trip (this would normally relate to non-returnable costs such as hotel deposits, ferry fares or vehicle hire). Thereafter payments from students should be taken so that full payment is made before the trip actually starts; this is likely to be necessary to allow for final invoices to be paid before the journey e.g. Hotel bills. The following are important points in ensuring accountability for students’ funds:

* + - Payments should be made to the school, ideally through online payment (e.g. Parent Pay)
		- Receipts should be issued for each payment made
		- Funds paid in for trips should be monitored against the trip budget as part of period end by the School Business Manager
		- Money paid into school offices should be recorded in a paying-in book (showing the name of the student and amount paid).

10.4 Identification of costs

The following costs are likely in most trips and need to be costed in advance:

* + Travel costs – Coach, train or plane, including costs such as ferry, tunnel or transfers (to/from airport)
	+ Accommodation costs – At the destination and in transit
	+ Meal costs – If these are included in the plan, including meals on route
	+ Funds for petrol, road tolls and parking fees
	+ Allowance for currency fluctuations
	+ Insurance – The school can arrange insurance cover for field trips, however, details should be provided in advance of the trip to School Business Managers. It is important that the terms of the cover are checked so that additional requirements can be provided to members of the field trip i.e. Limitations on cover relating to personal cash or belongings. In addition to insurance cover, organisers should also consider other paperwork such as the European Health Insurance Card.

10.5 Payment for Goods and Services

The Plymouth CAST procedures for payment of goods and services apply equally to trips. Purchase orders for costs such as ferries, vehicle hire, and hotel accommodation can be made, although, it is accepted that some residential trips may require payments in advance for some services.

 When a trip is identified please set up a project code so that income and costs can be specifically identified for each individual trip to ensure that there is no mix-up of funds.

11. GENERAL PETTY CASH CLAIMS

**Petty cash is being phased-out and we are discouraging its use in favour of corporate credit cards or claims via expenses.**

While it is still available, petty cash can be used to cover the cost of incidental school expenses in exceptional circumstances and should be under £30 in value. Any staff incurring costs over £30, must reclaim the amount through the expense process.

 Petty cash must not be used for the purchase of staff gifts, leaving gifts and associated hospitality. In-line with credit card regulations, petty cash must not be used for:

* + Purchase of alcohol and tobacco products
	+ Purchase of any illegal materials
	+ Purchase of any items deemed to bring the Trust into disrepute, in-line with the Trusts HR policies
	+ Purchase of goods/services for personal use.

 It is the responsibility of the School Administrator to manage and record the use of petty cash. The School Business Manager must ensure petty cash has been accurately reconciled each period close and is journaled correctly through the Access Dimensions portal.

12. OTHER INCOME

The following types of income are categorised by the Trust as Miscellaneous income. All payments should be made to the Plymouth CAST Central bank account, where the Trust Central Finance Team will post income to the schools as part of period close activity. In order for Other Income to be allocated to the correct school, school admin teams must provide the Central Finance Team with remittances and / or evidence confirming the type of income and what ledger code to allocate it against. Details must be FWD to the Central Finance Team for entry to the ledger immediately or within the same week a query has been raised by the Team requesting information for income received.

* + Supply Teacher Insurance Income
	+ Other Insurance Income
	+ Bank Interest and Investment Income
	+ Sale of other goods and services (including provision of consultancy services).

13. PRINTING REQUIREMENTS

 Schools will normally manage their printing requirements on the premises through photocopying lease. Photocopy leases are operating leases, and these contracts cannot be entered into without prior approval by CFO.

The School Business Manager should liaise with the CFO, who will then seek then review and organise for the contract to be signed.

 The cost of photocopying consumables (ink cartridges and paper) must be separately budgeted to the operating lease in each school budget by the School Business Manager. The School Business Manager should review photocopying expenses at least once a term to ensure costs are within budget and represent value for money.

14. SALARY INCREASES AND INCREMENTS

 Increments are applicable as detailed in the contract provided to each member of staff. If a member of staff's grade allows an increment, this will be reviewed and processed by the relevant line manager and awarded according to Plymouth CAST HR policy.

 Any increase on the incremental system of more than one increment must be approved by the relevant SELT member following recommendation from their line manager.

The annual pay award is typically effective from 1st September for Teaching Staff and 1st April for Support (this will be changing to September for both in FY 2022/23). Should pay awards be processed after these dates, pay will be back-dated.

 Any questions relating to pay received and payroll paperwork should be directed to Plymouth CAST’s payroll provider.

14.1 Self Employed Staff

Plymouth Cast Trust pay employed staff through payroll (including pensions, third-party payments, tax and National Insurance deductions), which also includes fixed-term employees and/or casual staff. Supply Teachers can be employed either through the Trust on a casual contract or through an approved Supply Agency.

Consultants must be pre-approved by the CEO and invoice for services at an agreed day rate. Consultants must provide details of their organisation and prove they have liability insurance before commencing work. Indemnity and work insurance costs will not be borne by the Trust. The Trust will not bear the cost of travel or subsistence costs for consultants. The Trust must review and be satisfied that the contract is IR 35 compliant before engaging in any services provided by a consultant.

15. ASSET DISPOSAL

 See financial policy and regulatory framework.

16. FIXED ASSET REGISTER REVIEW

 Each School is expected to maintain an up-to-date fixed asset register, detailing all fixed assets on the site. It is the responsibility of the School Business Manager to ensure a full fixed asset review is completed at minimum annually. Any missing assets should be notified to CAST Central Finance immediately for removal from the Trusts assets in Access Dimensions. The School Business Manager should also conduct an investigation to understand what has happened to the fixed asset and remediate any security concerns.

If the School purchases new or reconditioned fixed assets, they should confirm this with the CFO and these assets should be transferred to the balance sheet as soon as is possible. Additionally, the corporate asset register template must be updated by School Business Managers to reflect this change.

17. BUDGETARY CARRY FORWARD AT THE END OF A FINANCIAL YEAR

Schools are expected to work within the agreed annual budgets, as approved by the CAST Board. If a school completes an academic year with a financial surplus, this will be carried forward to the next financial year as pooled reserves for the trust.

 The exception is voluntary funds, which may be retained for future academic years. As a charitable Trust, all use of voluntary funds must comply with Companies and Charitable Organisation legislation.