



FINANCIAL REGULATIONS 2023-2024

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APPENDIX A – TENDERING PROCEDURES – Note: all tenders must be conducted using an e-tendering system. Please speak with Finance / Procurement for further details. 24

1 INTRODUCTION

- 1.1 Capital City College Group (CCCG) is a further education corporation created under the provisions of the Further and Higher Education Act 1992 as amended by the Education Act 2011. Its structure of governance is laid down in the Instrument and Articles of Government. It is accountable through its Corporation, which has ultimate responsibility for the effectiveness of its management and administration.
- 1.2 CCCG is an exempt charity by virtue of the Charities Act 2011.
- 1.3 The Financial Memorandum between the Education & Skills Funding Agency (ESFA) and CCCG sets out the terms and conditions on which grant is made. The Corporation is responsible for ensuring that conditions of grant are met. As part of this process, CCCG must adhere to the ESFA's Audit Code of Practice, which requires it to have sound systems of financial and management control. The Financial Regulations of CCCG form part of this overall system of accountability.
- 1.4 Following the reclassification of FE Colleges back into the Public Sector on 29 November 2022, the College is now subject to the rules and regulations set out in Managing Public Money (MGM). Where appropriate, these regulations have been updated to reflect those rules.
- 1.5 The purpose of these Financial Regulations is to provide control over the totality of CCCG's resources and provide management with assurances that the resources are being properly applied for the achievement of CCCG's strategic plan and business objectives:
 - Financial viability
 - Achieving value for money
 - Fulfilling its responsibility for the provision of effective financial controls over the use of public funds
 - Ensuring that CCCG complies with all relevant legislation
 - Safeguarding the assets of CCCG
- 1.6 This document sets out the Financial Regulations, which have been approved by the Audit Committee on behalf of the Corporation. They are designed not only to establish acceptable practices to the ESFA but also to provide protection for the staff concerned and therefore it is essential that they are observed.
- 1.7 Compliance with the Financial Regulations is compulsory for all staff. Failure to comply with any terms of these Financial Regulations may result in disciplinary action being instigated.
- 1.8 These Financial Regulations have been made by the Corporation in accordance with the Articles of Government of CCCG. The regulations complement the Financial Memorandum between the Corporation and the ESFA and the contractual agreement between the Corporation and the GLA. Nothing in these regulations shall supersede any provision contained within the Financial Memorandum or Articles of Government.
- 1.9 The Audit Committee shall review the Financial Regulations each year. Any changes to the Financial Regulations will be subject to the approval of the Corporation.
- 1.10 The Chief Financial Officer in consultation with the Chief Executive will support these Financial Regulations by the issue of more detailed instructions from time to time.

- 1.11 All employees shall be responsible for ensuring that all Financial Regulations, and any other financial instructions which the Chief Financial Officer or their delegated officers may issue from time to time, are complied with.
- 1.12 Where appropriate, these Financial Regulations shall apply to any wholly owned subsidiary companies.

2 FINANCIAL RESPONSIBILITIES

2.1 The Corporation

The Corporation is responsible for the management and administration of CCCG. Its responsibilities are to:

- Ensuring the solvency of the College
- Safeguarding the College's assets
- Ensuring the effective and efficient use of resources
- Ensuring that appropriate financial considerations are considered at all stages in reaching decisions and in their execution
- Ensuring that the funds provided by the funding bodies are used in accordance with the terms and conditions specified in the College's Financial Memorandum with those funding bodies and any other conditions which those funding bodies may from time to time prescribe
- Ensuring that financial, planning, and other management controls, including controls against fraud and theft, are appropriate and sufficient to safeguard public funds
- Ensuring there is an effective risk management policy
- Ensuring that the College complies with the Post 16 Audit Code of Practice
- Approving an annual budget before the start of each financial year
- Approving the strategic plan
- Approving annual estimates of income and expenditure and approving the annual financial statements
- Appointing the internal and external auditors
- The appointment, grading, suspension, dismissal and determination of the pay and conditions of service of the Chief Executive Officer and other senior post-holders
- Setting a framework for the pay and conditions of service of all other staff
- Securing the efficient, economical, and effective management of all the institution's resources and expenditure, capital assets, equipment, and staff, so that the investment of public funds in the institution is not put at risk

2.2 Committee Structure

The Corporation has ultimate responsibility for CCCG's finances, but delegates this to the committee detailed below. This committee is accountable to the Corporation.

2.2.1 Audit Committee

CCCG is required by its Financial Memorandum with the ESFA and by the ESFA Audit Code of Practice to appoint an Audit Committee. The committee is independent, advisory and reports to the Corporation. It has the right of access to obtain all the

information it considers necessary and to consult directly with the internal and external auditors. The committee terms of reference are to advise the corporation on the setting of a policy for audit and the adequacy and effectiveness of CCCG's audit arrangements, framework of governance, risk management and control and processes for securing economy, efficiency and effectiveness including value for money.

2.3 Chief Executive Officer

The Chief Executive (CEO) is CCCG's designated Accounting Officer.

The Corporation shall require the Accounting Officer to take personal responsibility, which shall not be delegated, to assure them that there is compliance with the Financial Memorandum and all other terms and conditions of funding. The Accounting Officer may be required to appear before the Parliamentary Committee of Public Accounts on matters relating to the Corporation's use of funds.

The Accounting Officer shall be responsible for advising the Corporation in writing if at any time, in his or her opinion, any action or policy under consideration by the Corporation is incompatible with the Financial Memorandum. If the Corporation resolves to continue with the course of action or policy that the Accounting Officer considers to be in breach of the Financial Memorandum, the Accounting Officer shall inform in writing the Chief Executive of the ESFA.

The Chief Executive shall demonstrate oversight of financial matters by signing the Balance Sheet and the Statement of Corporate Governance within the annual financial statements, and the financial plan forecasts submitted to the funding body.

2.4 The Chief Financial Officer

The Chief Financial Officer (CFO) is responsible for the strategic direction and leadership to ensure the college achieves financial stability and offers value for money. He/she will also provide professional advice to the Chief Executive and the Corporation on all matters relating to financial policies and procedures.

The CFO is responsible for:

- Preparing annual capital and revenue budgets and financial plans.
- Preparing accounts, management information, monitoring and control of expenditure against budgets and all financial operations
- Preparing the College's annual accounts and other financial statements and accounts which the College is required to submit to other authorities
- Ensuring that the College maintains satisfactory financial systems
- Providing professional advice on all matters relating to financial policies and procedures
- Developing financial policy and monitoring financial performance indicators.

The CFO will delegate certain responsibilities to the Director of Finance and Senior Management Accountants as appropriate.

2.5 Executive Team

The Executive team will be the team defined by the Chief Executive Officer from time to time.

2.6 Budget Holders

Budget Holders are responsible to the Chief Financial Officer for financial management in their own areas. They are advised by the Chief Finance Officer and Director of Finance in executing their financial duties. The Chief Finance Officer and Director of Finance will also supervise and approve the financial systems operating within their curriculum or service areas including the form in which financial records are kept.

Budget Holders are responsible for establishing and maintaining clear lines of responsibility within their curriculum or service areas for all financial matters which will include segregation of duties between those raising and approving Purchase Orders.

3 BUDGETARY CONTROL

- 3.1 The College must use funds earmarked by the funder solely for the purposes for which they have been provided.
- 3.2 The Corporation shall set financial objectives and key performance indicators, taking account of the fundamental requirement to ensure the solvency of the College. The Corporation shall exercise proper and effective budgetary control of income and expenditure.
- 3.3 The Chief Financial Officer will work with all budget holders, alongside the Director of Finance and Senior Management accountants, to prepare an annual budget for each curriculum and service area. The Executive team will review the budget plan before the plan is present to the Corporation for approval.
- 3.4 The Finance Committee shall review and monitor the annual budget plan and financial key performance indicators.
- 3.5 Before the start of the financial year, the Corporation shall approve:
 - The strategic plan
 - The annual budget
 - The three year financial forecast
 - The capital expenditure budget
- 3.6 During the year, the Chief Financial Officer and the Finance Team, working alongside budget holders, will reforecast the financial position on a quarterly basis for all curriculum and service areas. The reforecast will capture any variations to income, pay and non pay expenditure. The Executive Team and Finance Committee will review quarterly financial reforecasts.
- 3.7 All expenditure shall be authorised by the budget holder, up to the limits specified in Section 8. The Chief Financial Officer shall approve any virement between Divisions or Services. If the Division or Service budget includes income, the budget holder must inform the Chief Financial Officer as soon as it becomes likely that the income level will not be achieved.
- 3.8 The Chief Financial Officer will ensure that regular financial reports are distributed to budget holders, senior managers and governors. A timetable to produce management accounts will be drawn up each year. The Executive team will consider the management accounts according to the schedule. Members of the Corporation shall receive timely reports throughout the year which review the College's financial position.

- 3.9 At least once a term the Governing Body shall receive a report, which reviews the College finances including revisions to forecast, capital plan and cash flow.

4 FINANCIAL REPORTING

- 4.1 All accounting and financial systems operated by CCCG shall be under the control of the Chief Financial Officer who shall also be responsible for the production of financial management information.
- 4.2 The Chief Financial Officer and Director of Finance will prepare monthly management accounts and submit the most recent monthly management accounts to each meeting of the Corporation outlining actual income, expenditure and capital expenditure in comparison to the budget and or forecast with significant performance variances outlined. If there is not a Corporation meeting scheduled for which the management accounts can be circulated then they will be circulated by email. Monthly management accounts will also be received by the Executive Team and Group Senior Management Team.
- 4.3 The Finance team prepare a quarterly reforecast of the in year financial position working in conjunction with budget holders.
- 4.4 At the end of the financial year, Budget Holders shall submit such information to the Finance team as is necessary to enable closure of CCCG college accounts promptly and in line with the year-end accounts preparation timeline.
- 4.5 The annual accounts and supporting audit information shall be prepared and submitted to the external auditors by the Chief Financial Officer in line with the audit planning schedule.
- 4.6 The Chief Financial Officer shall present the draft annual report and financial statement to the Audit Committee. The Committee will be asked to recommend the draft annual report and financial statement to the Corporation for approval and signing by the Chair and the Accounting Officer. The annual report and financial statement, with the audit opinion, shall be submitted to the ESFA in compliance with their requirements and timeline.

5 ACCOUNTING RECORDS

5.1 Retention of records

The Chief Financial Officer is responsible for the retention of financial documents. These should be kept in a form that is acceptable to the relevant authorities.

The retention schedule within the Data Protection Policy outlines the retention periods for all CCCG documents.

CCCG is required by law to retain finance documents for six years. These include:

- Official purchase orders
- Paid invoices
- Sales invoices
- Bank Statements
- Copies of receipts
- Paid Cheques

- Payroll records

The Chief Financial Officer will make appropriate arrangements for the retention of electronic records.

Members of staff should ensure that retention arrangements comply with the Retention Schedule, as approved by the Chief Financial Officer and Data Protection Officer, which shall ensure compliance with the requirements of relevant data protection legislation and the CCCG Data Protection Policy.

Additionally, for auditing and other purposes, other financial documents should be retained for three years or as determined by the funder.

5.2 Public Access

As an exempt charity, CCCG will comply with the Charity Commission requirement to publish its most recent financial statements on its website in a timely manner. Also, under the terms of the Financial Memorandum, the Corporation is required to supply any person with a copy of CCCG's most recent financial statements. This will be done within one month of a request. Charities legislation enables the Corporation to levy a reasonable fee, and this will be charged at the discretion of the Chief Financial Officer.

6 INCOME

6.1 The Chief Financial Officer is responsible for ensuring that appropriate procedures are in operation to enable CCCG to receive all income to which it is entitled. All invoice templates or other official finance documents in use must have the approval of the Chief Financial Officer.

6.2 Budget Holders shall furnish such particulars of charges for work done, goods supplied, or services rendered on behalf of CCCG and all amounts accruing to the Finance Team, to ensure the prompt recording of all sums receivable by CCCG. Invoices shall be raised in the form prescribed by the Finance team.

6.3 All income will be invoiced to customers by the Finance Department. There may be exceptions where invoicing is not required. These must be approved by the Chief Financial Officer or Director of Finance.

6.4 New Revenue / Sales Generation

6.4.1 Sales invoices to be raised for commercial sales and funded project contracts shall be authorised as per the below table.

Sales Contract Approval Levels

Value of Sale (inc VAT)	Authorisation Requirement
Up to £50,000	Budget Holder Approval
£50,001 to £100,000	Director of Finance
£100,001 to £250,000	Chief Financial Officer
Over £250,001	Chief Executive Officer

6.4.2 Exemptions from the approval process:

- Grant Funding that is drawdown in line with a signed contract.
- Course fees set in line with Government Funding bodies guidelines.
- Invoices raised to claim capital grant funding where the capital grant / project has been approved at contract award.

6.4.3 The College's Fees Policy is to be observed at all times.

6.5 Authority to Sign Legal Contracts (Income Contracts)

6.5.1 A contract is a legally binding agreement. A contract must provide details of the goods and / or services to be supplied in addition to the price, timescales, contract conditions and termination provisions.

6.5.2 An exchange of emails and verbal agreements are legally binding unless caveated "subject to contract".

6.5.3 Contracts require signing by authorised signatories to ensure all legally binding commitments are scrutinised and reviewed prior to signing.

Contract Value	Signing Authorisation
Up to £150,000	Chief Finance Officer
Over £150,001	Chief Executive Officer approval Or Chief Financial Officer in his / her absence

6.5.4 Exemptions from the above approval process:

- Grant Funding agreements that are subject to an online portal approval process and authorised signatures pre-approved
- Contract signatories set by the customer

6.6 Bad Debt Write Off

Appropriate credit control and debt recovery procedures shall be determined by the Chief Financial Officer.

Bad Debt Write Off Value (Inc VAT)	Bad Debt Write Off Authorisation
Up to £20,000	Director of Finance or Chief Finance Officer
£20,001 up to £44,999	Chief Financial Officer and Chief Executive Officer approval
Over £45,000	DfE approval is sought** **DfE consent is required for any write off that exceeds 1% of Turnover or £45k individually (whichever is smaller), of 5% of Turnover cumulatively (subject to a £250k cumulative ceiling)

6.7 New Tenders

- 6.7.1 No tender valued at more than £100,000 shall be submitted to a Funding Body or customer without the approval of the Executive Team.

This should be in the form of a summary of the revenue and associated delivery costs and resourcing implications and will have a detailed narrative of the assumptions, risks and implications.

- 6.7.2 The Executive Director of Growth and Partnerships shall keep a Tender Log of all bidding activity and the associated outcomes.

- 6.8 Contracts for funding / income will be logged by the Finance team / Procurement team on the Income Contracts Register. The Register will be updated on a periodic basis.

7 PURCHASE OF GOODS AND SERVICES

- 7.1 CCCG has a legal obligation to comply with the Public Contract Regulations (PCR) which are designed to encourage free and open competition and achieve value for money (see The Public Contracts Regulations 2015 and the Procurement Act when it is enforced in October 2024).

These regulations mean that:

- There should be open competition when tendering for higher value procurements.
- Specifications must be well defined and non-discriminatory.
- Minimum time limits apply during the tender procedure (dependent on value).
- Procurement thresholds apply to the aggregate (total) value for the purchase/lease/hire or rental of goods/services of 'the same type' for the term of the proposed contract or consolidated spend over four years – use the higher value of the two to determine the appropriate tendering threshold (see Appendix A)
- Above-threshold contract opportunities must be published on Find a Tender Service (FTS) and on the government Contracts Finder website.
- The tender process must be transparent including informing participants of the evaluation criteria to be used and its relative importance/weighting
- Contract awards ≥ £25,000 must be published (see Appendix A)

- 7.2.1 Budget Holders are required to achieve value for money which is defined as “the best mix of quality and effectiveness for the least outlay over the period of use of the goods or services bought”.

All costs associated with the purchase should be considered when comparing supplier proposals (such as delivery, installation, commissioning, training, operating and support costs and disposal/ termination costs).

7.3 Quote / Procurement Process for Expenditure Commitment

7.3.1 Achieving Value for Money

Goods and services purchased by CCCG should be obtained expeditiously and economically. The College will ensure that it consider the following three principles when selecting suppliers of goods and services.

- **Quality:** The College shall only purchase goods and services of a standard that are suitable to ensure a quality service for our staff and learners.
- **Reliability:** The College shall only use suppliers who are reliable in terms of supply periods and service levels. This may require staff to take up trade references for new suppliers.
- **Cost:** The College shall consider cost as one of the key elements in the purchase decision but quality and reliability will also receive equal weighting in the decision.

7.3.2 Thresholds for obtaining quotes/tenders for the purchase of goods or services

Purchase of Goods/Services Inclusive of VAT	Procurement requirement
£0 - £10,000	1 written quote
£10,001 - £50,000	2 written quotes
£50,001 - £100,000	3 written quotes
£100,000+ to applicable PCR threshold* Goods and services - £214,904 Works £5,372,609 Social / other specific services £633,540	Open/ Restricted tender process as per Appendix A
Over threshold expenditure	Open/ Restricted tender process as per Appendix A

*Public Contracts Regulations (PCR) threshold effective from 1.1.24 to 31.12.25

- 7.3.3 Appendix A outlines the procurement process, legal publications and timeline to be followed for a formal tender process.
- 7.3.4 There may be exceptional situations where single tender action or single quote action is required or where fewer than three quotes / invitations to tender are issued or received. In this instance, a Waiver is required to be completed by the project lead / budget holder and authorised by the Chief Financial Officer.
- 7.3.5 All expenditure above the PCR threshold must be tendered in accordance with the PCR to prevent legal challenge from a supplier or potential supplier.
- 7.3.6 Standard Payment terms within contracts with third party suppliers must be 30 days from date of valid invoice. Exceptions to be agreed by the Chief Financial Officer.

7.3.7 Expenditure which is outside the scope of the procurement guidelines including:

- Examination Body fees - part of the approved curriculum planning process.
- Agency Fees - Star Chamber approval process.

7.4 The Director of Finance and his/her Finance Team are responsible to the Chief Financial Officer and are responsible for:

- (a) Training budget holders and other individuals involved in the purchase of goods/services or works on procurement procedures.
- (b) Advising and assisting budget holders on specific departmental purchases.
- (c) Outsourcing when needed or required, technical procurement advise to a relevant procurement specialist.
- (d) Developing appropriate reliable supply arrangements to assist budget holders in meeting their value for money obligations.
- (e) Challenging and negotiating supplier contracts in terms of price and discounts to obtain the best value for money.
- (f) Vetting, credit checking and approving all new suppliers set up requests, prior to an agreed purchase.
- (g) Monitoring procurement strategy key performance indicators, cost savings and producing reports identifying procurement savings as required.
- (h) Producing and delivering the procurement strategy.

7.5 Purchase Orders

7.5.1 Each year, Budget Holders shall be notified of their approved budgets. The departmental budget allocations are uploaded into the Purchase to Pay system so that expenditure commitment can be made against the respective budget line.

7.5.2 It is the responsibility of the Purchase Order creator / raiser to ensure a Purchase order is raised and authorised prior to expenditure commitment being placed or made.

7.5.3 The Purchase Order creator / raiser shall ensure the Purchase Order is raised in line with finance team procedures and work instructions and is coded to the correct budget line for the department.

7.5.4 CCCG operates a no Purchase Order, no payment policy. Any exceptions to this rule are to be authorised by the Chief Financial Officer.

7.5.5 Purchase Order Approval Levels

Value of Goods or Services Including VAT	Purchase Order Authorisation
Up to £10,000	Budget Holder
£10,001 up to £25,000	Budget Holder's Line Manager
£25,001 up to £50,000	Director of Finance
£50,001 up to £150,000	Chief Financial Officer
£150,001 up to £200,000	Chief Executive Officer
Over £200,001	Corporation Approval (Chair or Vice Chair)

The above approval levels must not be circumvented by splitting approval requests for the same goods or services. This will be considered a breach of financial regulations.

- 7.5.6 From time to time, the Chief Financial Officer may put in additional Purchase Order authorisation controls to monitor the expenditure commitment of a specific College area. This will be in agreement with the Chief Executive Officer.
- 7.5.7 Prior to issuing a Purchase Order to a supplier the Finance Team is responsible for:
- Ensuring that the request has been authorised by the Budget Holder or other authorised signatory.
 - Confirming that there are sufficient budget funds available or that overspend is approved to cover the order.
- 7.5.8 A purchase order becomes a legally binding contract once it has been accepted by the supplier. Terms and conditions for purchase orders are held by the Finance Team.
- 7.5.9 Purchase orders are not required to be raised for:
- Subcontractor activity (Growth and Partnerships) which has a signed contract in place
 - Debit card / credit card transactions
 - Petty Cash purchases
 - Direct debit transactions
 - HMRC / Pensions via Payroll process
- 7.5.10 Purchase orders shall not be raised for any personal or private purchases, nor shall personal or private use be made of CCG contracts.
- 7.5.11 It is the responsibility of the Purchase Order creator / raiser to communicate the Purchase Order number / reference details to the supplier once the Order is authorised.
- 7.5.12 All Purchase Orders are raised and authorised electronically on the Purchase to Pay System. The Finance Team will provide training on use of the system.
- 7.5.13 A Purchase Order becomes a legally binding contract once it has been authorised and accepted by the supplier.
- 7.5.14 Terms and conditions for Purchase Orders are held by the Finance Team.

7.6 Authority to Sign Legal Contracts for Goods and Services

7.6.1 A contract is a legally binding agreement. A contract must provide details of the goods and / or services to be supplied in addition to the price, timescales, contract conditions and termination provisions.

7.6.2 An exchange of emails and verbal agreements are legally binding unless caveated “subject to contract”.

7.6.3 Contracts require signing by authorised signatories to ensure all legally binding commitments are scrutinised and reviewed prior to signing.

7.6.4 A written contract should be entered into when the contract value \geq £25k. Other factors for consideration are:

- the transaction/works are complex (eg. involving design and build or subcontracting)
- the duration of the relationship is over one year
- the purchase requires ongoing support and maintenance
- the performance of the service needs to be measured and monitored

7.6.2 Authority to Sign Legal Contracts

Authorised signatories for contracts for goods, services or works related to Capital or Revenue Expenditure are as outlined in the table.

Value of Goods or Services Including VAT	Contract Authorisation
Up to £10,000	Budget Holder
£10,001 to £50,000	Director of Finance
£50,001 up to £150,000	Chief Financial Officer
£150,001 up to £200,000	Chief Executive Officer
Over £200,001	Corporation Approval (Chair or Vice Chair)

This excludes property leases which at all times are to be signed by the Chief Financial Officer or Chief Executive Officer.

7.6.3 Contracts shall be signed in hard copy or through an electronic medium such as DocuSign.

7.6.4 Budget Holders and / or Contract authorisers shall forward a copy of the signed contract to the Finance Team.

7.6.5 A Contracts Log shall be maintained by the Finance Team and updated on a periodic basis.

7.7 Purchase Invoices

- 7.7.1 The Director of Finance and his / her team are responsible for the accurate processing and payment of all invoices. Payments will not be made against documents other than invoices and pro-forma invoices.
- 7.7.2 Payment will only be made when the goods or services have been receipted as delivered by the administrator in the Purchase to Pay system.

7.7.3 Credit Cards

The operation and control of any credit cards is the responsibility of the Director of Finance. There will be appropriate oversight by the Director of Finance of the distribution, and use of such cards in line with the approved Credit Card Policy. Credit card expenditure is to be authorised on a monthly basis and receipts attached for all expenditure.

8 SALARIES, WAGES AND STAFF EXPENSES

- 8.1 The Chief Executive Officer is responsible for the appointment of all staff other than Senior Post Holders who will be appointed by the Corporation.
- 8.2 The Remuneration Committee, a sub-committee of the Board, is responsible for the authorisation of salary levels over £100,000.
- 8.3 The Chief Financial Officer and the Director of Human Resources are jointly responsible for authorisation of any remuneration level changes outside of the remit of the Remuneration Committee e.g. Job Evaluations.
- 8.4 The Director of Human Resources is responsible for the maintenance of all personnel records and for the provision of relevant information to enable all salaries, wages, pensions, and other emoluments to be paid. This includes all contractors working inside and outside of IR35 Regulations.
- 8.5 The Director of Human Resources is responsible for processing staff data including:
- appointments, resignations, dismissals, suspensions, secondments and transfers
 - absences from duty for sickness or other reason, apart from approved leave
 - changes in remuneration including normal increments and pay awards
 - information necessary to maintain records of service for pension, income tax, national insurance, etc.
- 8.6 Line Managers and or Budget holders shall be responsible for notifying the HR Team of any circumstances which affect pay. For example, staff leavers and absences.
- 8.7 The Payroll Team is responsible for payroll generation and the payment of salaries and wages to all staff including payments for overtime or services rendered.
- 8.8 Any overtime claims shall be authorised by the Line Manager and the Chief Financial Officer or Director of Finance.
- 8.9 The Director of Finance shall be responsible for ensuring that the Payroll Team keeps all

records and generates periodic returns relating to payroll including those of a statutory nature.

- 8.10 All payments must be made in accordance with payroll financial procedures and comply with HM Revenue & Customs regulations.
- 8.11 All salary advances and salary sacrifice schemes will be authorised by the Director of Human Resources or delegated authority who will agree the deductions from the employee's pay. Written consent for these deductions will be obtained from the employee before payment of any advance.
- 8.12 The Payroll Team on receipt of an appropriately completed and authorised claim form will reimburse expenditure not capable of procurement by other means and incurred by staff in fulfilling their duties.
- 8.13 Claims for travel expenses incurred by staff and Governors in carrying out official duties shall be paid at rates as per CCCG Expenses Policy.
- 8.14 Expense claims will be submitted in line with the Expenses Policy. No employee may authorise his/her own expenses. This certification shall be taken to mean that:
 - (a) the journeys were authorised
 - (b) the expenses properly and necessarily incurred
 - (c) the allowances are properly payable by the institution
 - (d) consideration has been given to value for money in choosing the mode of transport
- 8.15 All Staff expenses will be paid through the payroll. Expense claims will be paid the month after it was fully approved. Employees must submit monthly claims on a timely basis and avoid submitting claims for more than one month at a time.
- 8.16 The expenses of the Chief Executive Officer will be approved by the Chair of the Corporation. The expenses of the Governors will be approved by the Director of Governance.

9 BANKING AND PETTY CASH

9.1 Petty Cash

- 9.1.1 The Chief Financial Officer may authorise employees to hold petty cash accounts for the purpose of defraying cash disbursements. Detailed records shall be maintained of all such accounts.
- 9.1.2 A petty cash account may not be used to meet regular transactions. It shall not normally be larger than is required to meet expenses likely to be incurred during a calendar month and shall not at any time be overdrawn.
- 9.1.3 Payments from petty cash accounts shall be limited to properly authorised minor items and the maximum amount of any one payment should normally be £50.
- 9.1.4 Each employee authorised to hold and manage a petty cash account shall, as far as practicable, be responsible for the operation of the account in accordance with the Financial Procedures.

9.2 Bank Accounts

- 9.2.1 The Corporation is responsible for the appointment of CCCG's bankers on the recommendation of the Chief Financial Officer. The Chief Financial Officer will keep this appointment under review to ensure value for money, and report to the Corporation at least every five years.
- 9.2.2 The Corporation shall ensure that bank accounts are opened in the name of the College in such manner as to provide proper stewardship of, and minimise risk to, the College funds. Investments may be made directly in any current or deposit account placed with the chosen bank and must not be arranged through any intermediary. The Chief Financial Officer is responsible for the transfer of funds between bank accounts in order to maximise the interest earned and minimise bank charges and interest paid.
- 9.2.3 The Chief Financial Officer or Director of Finance shall close any bank account that is no longer required by the College to conduct its business.
- 9.2.4 The Chief Financial Officer shall be responsible for recording all payments from and deposits to the bank accounts and shall ensure that the end of month bank balance is reconciled to the College's accounting records.
- 9.2.5 All payments made from College accounts shall be made by BACS.
- 9.2.6 Provisional Payment Run Check – Validation of Transactions

Value of Individual Transaction to be paid	Authorisation Requirement
Up to £5,000	Financial Transactions Manager
Over £5,000	Financial Transactions Manager and 1 other signatory; Director of Finance Chief Financial Officer Back Up Signatories: Senior Management Accountant Head of Payroll Chief Executive Officer

9.2.7 Electronic Payment Approvals / Authorisation

Value of BACS Payment Batch Online	Authorisation Requirement For Payment Approval
Up to £1,000,000	One electronic signatory * Director of Finance Chief Financial Officer Head of Payroll Chief Executive Officer Systems Accountant (up to £50k) *From Bank Mandate

Over £1,000,000	Two electronic signatories ** Director of Finance Chief Financial Officer Head of Payroll Chief Executive Officer ** From Bank Mandate
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9.2.8 If a payment is to be made by cheque, one signatory from the Payment approval list is required.

9.2.9 PayPal accounts or similar online accounts created specifically to receive payments will not be used for any other purpose i.e., not for purchasing.

10 LOANS, LEASING, HIRE PURCHASE AND INVESTMENTS

10.1 The Corporation shall approve all borrowing by the College.

10.2 Any proposal for private sector borrowing must have the consent of the DfE.

10.3 The Chief Financial Officer shall invest any surplus funds in line with the Treasury Management Policy.

10.4 Investment in the money market with highly rated banks is considered to be one of the safest methods of investment whilst still providing a good rate of return on the funds. The investment in several banks also reduces significantly the risk of loss in the unlikely event of one of these banks getting into difficulty.

10.5 The range of maturities will ensure that funds are available to meet planned expenditure (e.g., building work) and other unforeseen expenditure/opportunities.

10.6 All overdraft facilities shall be approved by the Corporation having regard to the terms of the Financial Memorandum with the ESFA. The Director of Finance may draw against the facility as required, for revenue or capital expenditure within the agreed budget limits.

10.7 All loans will be approved by the Corporation for specific purposes having regard to the terms of the Financial Memorandum with the ESFA and DfE approvals required as per the Managing Public Money Policy,. Funds may be drawn against the loan only for the approved purpose.

10.8 All loans and advances to group companies will be authorised as according to these thresholds:

Value	Authorisation
Up to £100,000	Chief Financial Officer
Up to £200,000	Chief Executive Officer
Over £200,000	The Corporation (Chair or Vice chair)

10.9 Authorised borrowing or re-borrowing of monies and all other matters in connection with the raising or repayment of authorised loans shall be subject to the supervision and control of the Chief Financial Officer.

10.10 Purchases involving finance lease, or hire purchase agreements authorisation levels:

Equivalent Purchase Price inc VAT	Authorisation
Up to £100,000	Chief Financial Officer
£100,001 to £200,000	Group CEO
Over £200,001	The Corporation (Chair or Vice chair)

11 ASSETS AND PROPERTY

- 11.1 Budget Holders shall be responsible for the care and custody of all CCCG assets within their curriculum or service area.
- 11.2 The annual capital budget outlines the proposed projects, with costings and priorities for the College that the Capital Bid review panel have assessed and are recommending to the Corporation to approve.
- 11.3 The Corporation reviews the Capital Budget on an annual basis as part of the overall budget approval process.
- 11.4 All purchases of a capital nature over the value of £1,000 will be capitalised and added to the Fixed Asset Register.
- 11.5 Where a bulk purchase of equipment items is made that exceeds £20,000 inclusive of VAT those items will qualify to be capitalised irrespective of the individual item unit cost.
- 11.6 Furniture, equipment and plant owned by the College shall, as far as reasonable, be marked as being College property and shall not be removed from the College without the specific prior approval of a duly authorised member of staff.
- 11.7 The disposal of fixed assets or surplus materials must be authorised as specified below. The Finance team will then account for the disposal in the Fixed Asset Register.

Value of disposal Net Book Value	Authorisation
Up to £50,000	Director of Finance
£50,001 to £100,000	Chief Financial Officer
£100,001 to £200,000	Chief Executive Officer
Over £200,001	The Corporation (Chair or Vice chair)

- 11.8 Any acquisition or disposal of land or building requires the consent of the DfE. The College will seek professional advice when disposing of land and buildings.
- 11.9 The Director of Estates and Facilities is responsible for ensuring the proper security of all buildings and other assets.
- 11.10 No CCCG assets shall be subject to personal use by an employee unless an approval form

has been duly completed and authorised.

- 11.11 The Director of Finance shall be responsible for maintaining a Fixed Asset Register.
- 11.12 The Corporation will approve the depreciation rates and capitalisation limits to be applied.
- 11.13 No capital expenditure may be committed unless a Capital Expenditure budget has been duly authorised as part of the capital budget process.
- 11.14 Budget Holders are responsible for establishing adequate arrangements for the custody and control of stocks and stores within their areas. The systems used for stores accounting in departments must have the approval of the Director of Finance. Budget Holders are responsible for ensuring that regular inspections and stock checks are carried out.
- 11.15 All property leases are to be authorised by the Chief Executive Officer or the Chief Financial Officer.

12 INSURANCE

- 12.1 The Director of Finance in consultation with Chief Financial Officer shall be responsible for effecting such insurance cover in the name of CCCG as may be necessary to safeguard the College and its subsidiary entities against loss and shall keep a register of all insurances effected by CCCG and the property and risks covered thereby.
- 12.2 The Chief Financial Officer shall notify the Audit Committee of any major claim likely to impact the reputation of the Corporation or its insurance premiums.
- 12.3 The Audit Committee shall review the appointment of insurance brokers or underwriters at regular intervals.
- 12.4 Budget Holders shall inform the Director of Finance of any event which may involve CCCG in a claim, or an intended activity or acquisition of an asset in their curriculum or service which may involve CCCG in a risk not already covered by insurance or necessitate an extension of the value of the insurance cover.
- 12.5 The Director of Finance (including the duly appointed insurance broker or insurance company) shall negotiate all claims made against or by CCCG and shall consult CCCG's Solicitors where necessary.
- 12.6 All staff using their own vehicles for CCCG business shall maintain appropriate insurance cover for business use.

13 TAXATION

- 13.1 The Chief Finance Officer is responsible for advising the College, in the light of guidance issued by the appropriate bodies and relevant legislation as it applies, on all taxation issues, to the institution. Instructions will be issued to departments regarding compliance with statutory requirements including those concerning VAT, PAYE, National Insurance and corporation tax.
- 13.2 The Chief Finance Officer is responsible for maintaining CCCG's tax records, making all tax payments and submitting tax returns by their due date as appropriate.

14 AUDIT

- 14.1 The Corporation will consider the role of an internal audit service as part of a wider assurance framework. The Audit Committee will advise the Corporation on the appointment of internal auditors.
- 14.2 An internal auditor shall be appointed by the Corporation on the recommendation of the Audit Committee. An internal audit service remains independent in its planning and operation but has direct access to the Corporation, Chief Executive Officer and Chair of the Audit Committee. The main responsibility of internal audit is to provide the Corporation and the Accounting Officer assurance on the adequacy of the internal control systems.
- 14.3 Internal audit will have regard to value for money in its program of work. This will be used to enable the Audit Committee to refer to value for money in its annual report.
- 14.4 The internal auditor will comply with relevant professional standards.
- 14.5 The appointment or reappointment of external auditors will take place after a maximum period of five years and is the responsibility of the Corporation. The Audit Committee will advise the Corporation.
- 14.6 The primary role of the external audit is to report on CCCG's financial statements and to carry out such examination of the statements and underlying records and control systems as are necessary to reach their opinion on the statements and to report on the appropriate use of funds. Their duties will be in accordance with advice set out in the ESFA's audit code of practice and the Auditing Practices Board's auditing standards.
- 14.7 External and Internal Auditors shall have rights of access to all the College's documents, records, information and assets which they consider necessary to fulfill their responsibilities. All staff shall provide all information and explanations and provide access as may reasonably be required by the internal and external auditors in performance of their duties.
- 14.8 The Group may, from time to time, be subject to audit or investigation by external bodies such as the ESFA, National Audit Office and HM Revenue & Customs.

15 FRAUD

- 15.1 CCCG has a duty to its stakeholders to take all responsible steps to prevent fraud occurring, whether perpetrated by staff, students, contractors and suppliers, other organisations or members of the public.
- 15.2 The Financial Ethics Policy and Anti-Fraud and Bribery Policy are in place to outline the process to follow if fraud is suspected.

16 STUDENT RECORDS

- 16.1 The Director of Management Information is responsible for ensuring that appropriate procedures are in place to record student enrolment, attendance, and achievement. All relevant staff will be responsible for the operation of the procedures that are summarised below.

- 16.2 Every student shall have a learning agreement that is documented and agreed by both the student and CCCG.
- 16.3 Registers of attendance shall be maintained for all ESFA funded classes.
- 16.4 Registers will be checked regularly against the student record system to ensure that all attending students have enrolled.
- 16.5 All externally validated examinations and courses shall be administered by the Examinations team.

17 RISK MANAGEMENT

- 17.1 CCCG acknowledges the risks inherent in its business and is committed to managing those risks that pose a significant threat to the achievement of its business objectives and financial health. Detailed guidance on the level of risk considered to be acceptable shall be set out in the Risk Management Policy.
- 17.2 The Corporation has overall responsibility for ensuring there is a risk management strategy and a common approach to the management of risk throughout the college through the development, implementation and embedding within the organisation of a formal, structured risk management process.

In line with this policy, the Corporation requires that the risk management strategy and supporting procedures include:

- the adoption of common terminology in relation to the definition of risk and risk management
- the establishment of organisation wide criteria for the measurement of risk, linking the threats to their potential impact and the likelihood of their occurrence together with a sensitivity analysis
- a decision on the level of risk to be accepted, together with tolerance levels expressed in terms of measurable outcomes
- a decision on the level of risk to be covered by insurance
- detailed regular review at curriculum or support area level to identify significant risks associated with the achievement of key objectives and other relevant areas
- development of risk management and contingency plans for all significant risks, to include a designated 'risk owner' who will be responsible and accountable for managing the risk in question
- regular reporting to the Corporation of all risks above established tolerance levels
- an annual review of the implementation of risk management arrangements

18 GIFTS & HOSPITALITY

- 18.1 All members of Staff are required to adhere to the Gifts and Hospitality guidelines found within the Financial Ethics Policy.

19 FINANCIAL PROCEDURES

- 19.1 CCCG's financial procedures and work instructions set out how these regulations will be implemented and are available from the Finance Team.
- 19.2 The Director of Finance shall maintain and update the financial systems and procedures which shall be available to staff to ensure the efficient and effective financial management of CCCG.

20 WHISTLEBLOWING

- 20.1 Whistleblowing in the context of the Public Interest Disclosure Act is the disclosure by an employee (or other party) about malpractice in the workplace. A whistleblower can blow the whistle about crime, civil offences (including negligence, breach of contract, etc.), miscarriage of justice, danger to health and safety or the environment and the cover-up of any of these. It does not matter whether the information is confidential, and the whistleblowing can extend to malpractice occurring in the UK and any other country or territory.
- 20.2 Normally, any concern about a workplace matter at CCCG should be raised with the relevant member of staff's immediate line manager or head of department. However, CCCG recognises that the seriousness or sensitivity of some issues, together with the identity of the person the member of staff thinks may be involved, may make this difficult or impossible.
- 20.3 A member of staff may, therefore, make the disclosure to the Director of Governance as set out in CCCG's Whistleblowing Policy.

21 COLLEGE COMPANIES AND JOINT VENTURES

- 21.1 In certain circumstances it may be advantageous to CCCG to establish a company or a joint venture to undertake services on behalf of CCCG. Any member of staff considering the use of a company, or a joint venture should first seek the advice of the Chief Financial Officer, who should have due regard to guidance issued by the ESFA and DfE.
- 21.2 It is the responsibility of the Corporation to establish the shareholding arrangements and appoint directors of companies wholly or partly owned by CCCG. These and other arrangements will be set out in a memorandum of understanding.
- 21.3 The Directors of companies where CCCG is the majority shareholder shall submit, via the Corporation, appropriate reports to the Corporation. They will also submit business plans or budgets as requested to enable the Corporation to assess the risk to CCCG.
- 21.4 CCCG's auditors shall also be appointed to such companies.

APPENDIX A – TENDERING PROCEDURES – Note: all tenders must be conducted using an e-tendering system.
Please speak with Finance / Procurement for further details.

Contract type / Applicable threshold value £ All spend is inclusive of VAT	Goods, Services & Works ≤ £10,000	Goods, Services & Works £10,001 - £50,000	Goods, Services & Works £50,001 – £100,000	Goods, Services £100,000 – c£214,904 Specific Services £100,000 - £633,540 Works / Capital projects £100,000 - £5,372,609	Goods, Services above £214,904 Specific Services above £633,540 Works / Capital projects above £5,372,609
Legal requirement to publish	None	All contract opportunities and awards ≥25k (if advertised) must be published on the government 'Contracts Finder' website.			Must be advertised on Contracts finder and FTS simultaneously. Tender must be conducted using an e-tendering system.
Procurement Process to be followed	1 written quote	Minimum of 2 written quotes required	Minimum of 3 written quotes required	Open/restricted tender processes apply	Open/restricted tender processes apply which involve strict minimum timelines.
	Send a Request for a Quote.	Send a Request for a Quote.	Send out a specification via a Request for a Quote.	Draw up tender documents, including evaluation criteria & relative weightings and timetable for the tender.	
				Use weighted scoring sheet to evaluate offers. Select highest scoring proposal. Present tender results to relevant approver in accordance with Financial Regulations.	
				Best practice only: Notify & provide feedback to winning tenderer & to those who were unsuccessful. Consider 10 day standstill before awarding the contract.	Notify & provide feedback to winning tenderer & to those who were unsuccessful. Apply 10 day standstill before awarding the contract.
Notes	Ensure all requirements, standards and timeframes are stipulated.		Ensure all requirements, standards and timeframes are stipulated. A formal tender process should be used if the goods/services are deemed higher risk		Sourcing and expenditure approval for all Capital projects must be given on spend over £5,372,000)
Contract requirements	None. Include reference to key requirements / quote process reference on the Purchase Order	Signed contract to be used for complex requirements or where spend ≥£25,000. Contract terms to be referenced on all Purchase Order's issued			
Minimum timeframe	Reasonable time to respond.	Reasonable time to respond.	Recommend a minimum of 30 days for responses.	Recommend * minimum of 30 days for responses. * allow 4-6 months to run a complex tender.	Mandatory * minimum 30 days advert * minimum 10 days standstill Recommend 4-9 months allowed to run a complex tender.
Calculating applicable threshold	Please use the total value of the proposed contract / project or, if unknown, the cumulative value of all smaller orders for goods or services 'of the same type' over 4 years to determine the applicable tender threshold. Under no circumstances should spend be artificially broken down to circumvent these financial regulations.				