

UNIVERSITY OF CENTRAL LANCASHIRE
GROUP FINANCIAL REGULATIONS INCLUDING DELEGATED
LEGAL AUTHORITIES

(These Regulations apply to the Higher Education Institution and its wholly owned subsidiary companies)

UNIVERSITY OF CENTRAL LANCASHIRE
Financial Regulations of the University Group

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1 Background

101 The University was incorporated under the Education Reform Act 1988 and the Further and Higher Education Act 1992. The University is an exempt charity by virtue of s.125A of the Education Reform Act 1988 as inserted by s.41 of the Teaching and Higher Education Act 1998. Its structure of governance is laid down in its Instrument and Articles of Government. The University Board is responsible *inter alia* for the efficient and effective use of resources (including satisfying itself that there are proper arrangements to secure value for money), the proper stewardship of funds (including specifically ensuring HEFCE funds are used in accordance with the Financial Memorandum with HEFCE), safeguarding the University's assets, approving the annual estimates of income and expenditure, ensuring that accounting records are kept, ensuring that there is a sound system of internal control and risk management and ultimately for ensuring the solvency of the University.

The University Board approved a Scheme of Delegation in 2004 through which they gave responsibility to the Vice-Chancellor to make sure the University had in place Financial Regulations and that there was an effective method for reviewing compliance with the Regulations through the management processes.

The University Board is responsible *inter alia* for satisfying itself that the University has robust internal financial controls in place. It will use the University's Internal Auditors to undertake routine compliance audits, value for money audits, as well as ad-hoc investigations and provision of professional advice. It will also seek assurance from the Vice-Chancellor that appropriate controls are in place and are being followed by all staff of the University.

102 For the purpose of these Regulations the following definitions apply:

| Definition | Explanation of Definition |
|------------------------------|---|
| HEFCE | The Higher Education Funding Council for England |
| LSC | The Learning and Skills Council |
| The University Group | The University of Central Lancashire Higher Education Corp wholly owned subsidiaries and the University Foundation, ex the Westlakes Group. |
| The University | The University of Central Lancashire |
| The University Board | The Board Members of the University of Central Lancashire Education Corporation |
| The Chair | The Chair of the University Board |
| The Vice-Chancellor | The Vice-Chancellor and Chief Executive of the University of Lancashire Group |
| The Finance Director | The Finance Director of the University Group |
| Nominated Officer | The person identified by the University Board to represent the interests in companies the University has a financial interest |
| The Clerk to the Board | The person who acts as Clerk to the University Board |
| Executive Team | Those senior managers who are members of the University's Board known as the Executive Team |
| Senior Leadership Team (SLT) | Those senior managers who are members of the University's Operational Board known as the Senior Leadership Team |
| Staff | Those individuals who have a contract of employment with the University or University Group |
| HMRC | Her Majesty's Revenue and Customs |

2 Status of Financial Regulations

- 201 The University Group's Financial Regulations provide a framework within which the financial affairs of the University Group shall be managed. They are subordinate to the Instrument and Articles of Government and to any restrictions contained within the University's Financial Memorandum with HEFCE and HEFCE's Audit Code of Practice. They should be read in conjunction with the University Board's Governance Manual which contains the University Board's Scheme of Delegation.
- 202 Compliance with the Financial Regulations is compulsory for all staff connected with the University Group. A member of staff who fails to comply with the Financial Regulations may be subject to disciplinary action under the University Group's disciplinary policy. Any breaches and waivers of Financial Regulations will be notified to the Vice-Chancellor and the Executive Team on a quarterly basis by the Finance Director. It is the responsibility of every member of staff to familiarise themselves with the Financial Regulations and, if there are any doubts about their meaning or interpretation, to seek clarification initially from their manager or SLT member as appropriate. SLT members should seek clarification on the meaning and interpretation from the Finance Director.
- 203 It is the responsibility of the members of SLT and company directors to make sure that all their staff are made aware of the existence and content of the University Group's Financial Regulations and that an appropriate way of accessing them is available to all their members of staff. The Finance Director will be responsible for making sure that an up-to-date electronic version is available. It is also the responsibility of SLT and company directors members to make sure any contractors and/or consultants employed by the University Group, are aware of its Financial Regulations and the extent to which they apply to any work they may undertake on behalf of the University Group.
- 204 The Financial Regulations will be reviewed annually by the Finance Director and any amendments approved by the Vice-Chancellor. The Finance Director has delegated authority to approve any amendments to supporting guidance and procedure notes.
- 205 The Vice-Chancellor has delegated authority to the Finance Director to waive these regulations. On the occasions that the Finance Director himself requires a waiver of the regulations then authority must be sought from the Vice-Chancellor.

Other procedure notes

- 206 The Financial Regulations set out the main requirements governing the various financial aspects of the University Group's activities. In certain areas these are supported by detailed procedure notes which should be read in conjunction with Financial Regulations and these are referred to in the sections where applicable. [Appendix A](#) indicates the current supporting procedure notes that form part of the Financial Regulations and the manager responsible for compiling them. These supporting procedures must be approved by the manager's Executive Team lead.

Queries

- 207 Any queries regarding the interpretation of these Financial Regulations shall be referred to the Finance Director or designated nominee.

3 Statement of Responsibilities

Vice-Chancellor

301 The Vice-Chancellor is the University's designated accounting officer and is responsible for the financial and legal administration of the University's affairs. As the designated officer the Vice-Chancellor may be required to answer on any of the University's financial matters to the Public Accounts Committee at the House of Commons.

The Finance Director

302 The Finance Director is responsible to the Vice-Chancellor for the delivery of the financial strategy and administration of the University Group's financial affairs within the regulations agreed and set by the Vice-Chancellor.

303 The Finance Director is specifically responsible to the Vice-Chancellor for:

- Preparing and reviewing annually a financial strategy and supporting business and resource allocation models.
- Reviewing annually financial governance including the Financial Regulations and arrangements for internal control.
- Preparing an annual financial plan and annual budgets consistent with the financial strategy and supporting business and resource allocation models
- Overseeing the corporate production of budget monitoring information for the Executive Team and SLT.
- Overseeing the production of a monthly group financial health report for the Vice-Chancellor to an agreed timetable.
- Determining the professional standards for local management accounting.
- Preparing the University Group's financial statements and determining the standards for the production of financial statements by the constituent parts of the University Group.
- Ensuring the University Group maintains appropriate financial systems consistent with the needs of its stakeholders.
- Providing professional advice on all matters relating to financial policies and procedures.

304 The Finance Director can ask for and be given explanations of financial matters from any member of staff.

305 The Finance Director has the delegated authority to waive these Financial Regulations.

306 The Finance Director has the delegated authority to determine and agree the terms of contracts that commit the University Group to expenditure or to provide goods or services.

The Executive Team

307 The Executive Team has a shared responsibility for the financial wellbeing of the University. Though it is normal practice to allocate budgets direct to members of the Senior Leadership Team, individual members of the Executive Team are expected to hold their direct reports accountable to themselves for their financial performance. Individual members of the Executive Team have the authority to give specific instructions on financial matters to their direct reports providing they are within these regulations.

Senior Leadership Team

- 308 Members of the Senior Leadership Team and those Heads of School or Service nominated by their Executive Team lead are responsible for financial management in their own areas of operational responsibility. They are responsible for setting up and maintaining clear lines of responsibility within their areas of management for all financial matters. Members of SLT are expected to operate local financial administration arrangements to the standards set by the Finance Director.
- 309 There are a number of occasions when individual members of staff are successful in attracting funding for specific pieces of work they are undertaking. Members of Senior Leadership Team are responsible for all financial activity in their areas of line management and therefore they need to make sure that they are aware of all project work undertaken by their staff and ensure all of this work is conducted in accordance with the University Group's Financial Regulations and within the budget allocation.

The Chair of the Audit and Risk Committee

- 310 The Chair of the Audit and Risk Committee has no executive authority though is able to seek independent assurance from the internal and external auditors on matters of financial propriety. The role of the Chair of the Audit and Risk Committee is set out in the University Board's Scheme of Delegation.

The Audit and Risk Committee

- 311 The Audit and Risk Committee is able to meet with the internal and/or external auditors *in camera* without any executive officers present. The Audit and Risk Committee is required to provide the University Board with an annual report and to consider the University's annual statement on internal control and recommend it to the University Board. The Audit and Risk Committee should also consider the external auditors letter of representation in relation to the annual financial statements. The role and remit of the Audit and Risk Committee are set out in the University Board's Scheme of Delegation.
- 312 The Audit and Risk Committee has delegated responsibility for the overview of the financial strategy. These matters will be set out in the University Board's Scheme of Delegation.

Clerk to the Board

- 313 The Clerk to the Board has no executive responsibilities but is bound by these regulations as a member of staff.
- 314 The Clerk to the Board is responsible for making sure that members of the University Board are familiar with the University's regulations and comply with them in as much as they apply to Board members.

University Board

- 315 The University Board's financial responsibilities are set out in the University Board's Governance Manual.
- 316 The University Board has delegated responsibility to the Vice-Chancellor for ensuring comprehensive and up-to-date Financial Regulations are in place. The Audit and Risk Committee is expected to provide assurance to the University Board on the adequacy of the Financial Regulations as part of its assurance of the internal control environment.

- 317 The University Board has delegated responsibility to the Vice-Chancellor for ensuring that the University has in place an appropriate risk management process. The Audit and Risk Committee is expected to provide assurance on the adequacy of the risk management process to the University Board on an annual basis.
- 318 The University Board has delegated responsibility to the Vice-Chancellor for ensuring that the University has in place adequate processes for securing value for money. The Audit and Risk Committee is expected to provide annual assurance to the University Board on the adequacy of these processes.

4 Financial and Legal Control

The University Board

- 401 The University Board has no direct responsibility for the University's detailed financial administration but Board members are entitled to receive information and ask questions concerning its financial management and its annual budget, financial plan and annual financial statements in order to exercise their responsibilities as identified in the University Board's Governance Manual.
- 402 The University Board will from time to time establish an appropriate committee structure to enable it to consider matters in the appropriate detail and to ask questions of the Vice-Chancellor and Executive Team colleagues. The Terms of Reference, Standing Orders and delegated authorities for those committees will be set out in the University Board's Governance Manual.

Company Boards

- 403 The University Board may from time to time on the recommendation of the Vice-Chancellor agree to organise some of its business activities through subsidiary companies. The Vice-Chancellor is responsible for determining the composition of the company boards but the University Board or nominated committee needs to be advised of the composition and any changes. The Clerk to the University Board will advise on the procedure to be followed for the formation of any new wholly owned company.
- 404 The Directors of University subsidiary companies are responsible jointly and severally for making sure the company complies with the requirements of the Companies Acts, in accordance with the terms of those acts and any other relevant regulations applying to the company, in addition to these Financial Regulations. They are entitled to access independent advice as Directors at the relevant company's expense or at the University's expense with the prior approval of the Vice-Chancellor. All Directors are executively jointly and severally accountable to the Vice-Chancellor as the University's Group Chief Executive.
- 405 The financial administration and control and accounting arrangements in wholly owned subsidiaries must be agreed by the Directors with the University's Finance Director.
- 406 The company secretary arrangements in wholly owned subsidiaries must be agreed by the Directors with the Deputy Vice-Chancellor.
- 407 The University Board must appoint a Nominated Officer who must either be a Director of each wholly owned subsidiary or have access to all Board papers. The Nominated Officer is responsible for providing an independent assurance report to the University Board or relevant committee on the affairs of the University companies.

Sector Companies in which the University has a financial interest

- 408 The University Group's Financial Regulations cannot apply to sector based companies in which the University has a financial interest, however it is the responsibility of the University's Nominated Officer to satisfy himself that these companies have appropriate financial controls in place.
- 409 The Vice-Chancellor may authorise members of University staff to become Directors of such companies but the University Board or nominated committee must be advised of all such appointments.

Other companies in which the University has a financial interest

- 410 The University may from time to time invest either directly or through one of its subsidiary companies in other companies. Where such an investment brings entitlement to attend Annual General Meetings or Extraordinary General Meetings the University Groups' interests will be represented by the Finance Director. The Clerk to the University Board will advise on the procedure to be followed for the investment in third party companies by the University Group, **see Appendix A-22.**
- 411 The Vice-Chancellor may authorise members of University staff to become Directors of such companies but the University Board must be advised of all such appointments. For details of the Code of Practice which sets out the process to be followed, **see [Appendix A-21](#).**

No member of staff has the authority to set up a company in the University's name, to set up a company to conduct University business or commit the University to invest in a company using University funds without the express written permission of the Vice-Chancellor who will only give such permission having secured the necessary authorities.

External Audit

- 412 The University Group will appoint external auditors in accordance with best practice as set out in the HEFCE Audit Code of Practice. The Audit and Risk Committee will oversee the selection of external auditors and make a recommendation to the University Board which shall make the final decision on the appointment and duration of the contract.
- 413 The external auditors must report to the Audit and Risk Committee each year following the annual audit of the University Group's financial statements. They may also be required to report to individual company boards and the University Board. This matter will be for the University Board to decide.
- 414 The external auditors may be asked to undertake other non-audit work by the Vice-Chancellor or the Finance Director. The Chair of the Audit and Risk Committee must be advised before any such work is contracted.

Internal Audit

- 415 The HEFCE Financial Memorandum requires the University to have an effective internal audit function. The main responsibility of internal audit is to provide the University Board through the Audit and Risk Committee, the Vice-Chancellor, the Executive Team and the SLT with an independent assurance on the adequacy of the internal control systems. They will produce an annual audit plan for approval by the Audit and Risk Committee and may undertake other work as required by any of the following: Chair of the Audit and Risk Committee; Vice-Chancellor or Finance Director.
- 416 The Vice-Chancellor will make recommendations to the Audit and Risk Committee on the organisation and management of the internal audit function for them to consider and recommend to the University Board. Any such arrangements will be consistent with best practice as set out in the HEFCE Audit Code of Practice and the Auditing Practices Guideline *Guidance for Internal Auditors*.
- 417 The internal audit function will have direct access to the University Board, the Vice-Chancellor and the Chair of the Audit and Risk Committee.

418 The Internal auditors must report on the work they have undertaken to each meeting of the Audit and Risk Committee and the Vice-Chancellor must provide each meeting with an assurance report on management controls which includes the planned management actions to remedy any known failures in internal control identified by the Internal auditors. The internal auditors will also be required to report to the Vice-Chancellor on a regular basis on agreed management sponsored audits.

Other Auditors

419 The University may, from time to time, be subject to financial audit or investigation by external bodies such as funding bodies, National Audit Office, European Court of Auditors and HM Revenue and Customs. The Finance Director must be advised in advance of any such audit and the arrangements for the audit must be agreed with the Finance Director before the audit commences. A copy of the audit report must be provided direct to the Finance Director by the auditing body.

420 The Finance Director must advise the Audit and Risk Committee of all financial audits of the University's business.

Legal Authorities

421 The University seal will be used for contracts determined within the University Board Scheme of Delegation. **(see [Appendix D](#))**

422 The Vice-Chancellor, as Chief Executive, is responsible for ensuring arrangements are in place such that it is clear which members of University staff have delegated authority to legally commit the University to business transactions.

423 These regulations set out the process that should be used to commit the University Group to payments to employees.

424 These regulations set out the process that should be used to commit the University Group to goods and/or services through the issuing of a purchase order.

425 These regulations set out the process that should be used in order to commit the University Group to a formal contract to purchase goods and/or services.

426 These regulations set out the process that should be followed before committing the University Group to supply goods and/or services.

427 The Finance Director has delegated authority from the Vice-Chancellor to agree the terms and conditions of legal contracts entered into by the University Group.

428 The Clerk to the University Board is responsible for providing guidance and advice on the processes to be followed in completing and executing contracts for the provision of goods and services and for works by the University Group.

(see [Appendix A-1](#))

429 The Head of Purchasing is responsible for providing guidance and advice on the processes to be followed in completing and executing contracts for the procurement of goods and services.

(see [Appendix A-4](#))

430 **[Appendix B1](#)** sets out the delegated authorities for legal commitments.

Retention of legal documents

- 431 All legal documents that contain the University seal must be retained by the Clerk to the University Board. (see [Appendix D](#))
- 432 Corporate purchasing contracts must be retained by the Head of Purchasing.
- 433 Building related contracts (not under seal) must be retained by the Director of Facilities Management.
- 434 Sales contracts/contracts relating to grants receivable must be retained by the member of SLT or company director responsible for delivering the goods or services on behalf of the University. Details of such contracts held must be provided to the Clerk to the University Board **every 6 months**.
- 435 The Clerk to the University Board is responsible for maintaining a register of all the legal contracts (excluding procurement and employment) the University has entered into and for advising the Vice-Chancellor on any inherent risks. In order to exercise that responsibility the Clerk to the University Board will require members of SLT to provide details of new contracts entered into and those contracts that have expired **every 6 months**.

5 Budgets and Budgetary Control

Primary Budget Holder

501 Primary budget holders are defined as persons to whom budget responsibility has been delegated by the University Board or by the Vice-Chancellor.

Primary budget holders are authorised to approve expenditure, ensuring:

- the goods and/or services are necessary and the expenditure which will be incurred can be contained within that part of the budget for which they are responsible;
- established contracts or supply arrangements as contained in the Buyers Guide are utilised wherever possible;
- where alternatives are available, the purchase represents economy (using the whole life costing method) and operational efficiency, and the advice of the Purchasing Office has been sought where necessary;
- action is taken on incorrect or poor quality deliveries and/or services, and that the Purchasing Office is advised of such instances; and
- The correct purchasing route has been taken in accordance with regulations [701-719](#) of the Financial Regulations.

Secondary budget holders are defined as persons to whom budget responsibility has been delegated by a Primary budget holder.

Devolved budgetary policy

502 The Vice-Chancellor will annually provide the University Board with a financial strategy, a five year financial plan and an annual budget consistent with the strategy and plan in a pre-agreed format but as a minimum to include an Income and Expenditure Account, a cashflow statement, a Capital Development Programme and a forecasted Balance Sheet. The University Board reserves the responsibility for agreeing the annual budget.

Revenue Budgets

503 The Vice-Chancellor, following discussion, with the Executive Team will set the detailed devolved revenue budgets for the Senior Leadership Team.

504 Some revenue financial activity may fall outside the annual budget process eg, externally funded project activity. This activity can only be entered into once the legal and financial administration arrangements have been put in place in accordance with the procedures agreed with the Finance Director which will make sure that legal commitments are acceptable and that income meets appropriate direct costs and makes an appropriate contribution to overheads.

505 Devolved revenue budgetary control is the responsibility of the designated member of SLT but all budget holders are accountable directly to the Vice-Chancellor for their performance. Where the Vice-Chancellor has concerns about a devolved budget holder's financial management this may result in that manager's authority being conditional on agreed special measures. The extent of the special measures will be based on a joint recommendation by the Finance Director and the relevant Executive Team lead, to be approved by the Vice-Chancellor and may include the removal of authority to spend on behalf of the University and/or the requirement to meet with the Finance Director on a regular basis to review financial performance and administration.

- 506 Budget holders are able to vire revenue budget funds within agreed categories, but only with the approval of the Vice-Chancellor or designated nominee. They will be expected to document any virement proposals and their justification in order for a decision to be made.
- 507 The annual budget will be formally reviewed after six months, on completion of the HESES return showing firm levels of student recruitment. The Vice-Chancellor has the authority to approve the revised budget within the delegated authority given by the University Board. If the changes exceed the Vice-Chancellor's delegated authority formal approval must be sought from the University Board.
- 508 At the end of the financial year the Finance Director will make recommendations to the Vice-Chancellor on unused revenue budgets or overspent revenue budgets that should be recognised in earmarked reserves.
- 509 Budget holders can access any earmarked reserves, but only with the prior approval of the Vice-Chancellor. The process for approval is for an application to be made to the Vice-Chancellor through the Finance Director who will be responsible for advising the Vice-Chancellor on the University's overall reserve position and the liquidity of the University in order for a decision to be made.
- 510 The primary responsibility of budget holders is to stay within their budgets. In exceptional circumstances where a budget holder believes he/she may not be able to stay within their budget allocation in any one financial year, an immediate meeting must be called with the Finance Director. The budget holder must agree a strategy for recovering the overspend with the Finance Director, prior to seeking the agreement to any overspend with the Vice-Chancellor.

Capital Budgets

- 511 The definition of items included in the Capital Development Programme will be consistent with the University's capitalisation policy as set out in the basis of accounting in the financial statements.
- 512 The Capital Development Programme identifies those estate related projects that have been identified in the Estate Strategy current at the time as being commenced in the period covered by the Financial Plan. The Chief Operating Officer is responsible for delivering the relevant project to the agreed specification within the approved budget and consistent with any financial protocols issued in order to expand on this financial regulation.
- 513 The Capital Development Programme, for which the Chief Operating Officer has responsibility, also includes the Vehicle Replacement Strategy.
- 514 The Capital Development Programme includes an estimate of the expenditure in the approved Information Technology Investment Plan that is expected to be accounted for as assets rather than operating costs.
- 515 No budget virement is allowed within the Capital Development Programme. Increases in project budgets are covered by the University Board's Scheme of Delegation.
- 516 The Finance Director is responsible for providing a capital financing statement for the Capital Development Programme within the parameters identified in the financial strategy.

Forecast of Financial Performance

- 517 From time to time the Finance Director will be required to provide the Vice-Chancellor with forecasts of the financial position at the end of the financial year. On those occasions the

Finance Director will ask for estimates from members of the Executive Team or SLT of their predicted financial position. These must be provided on time and in the prescribed format.

6 Accounting Policies, Records and Financial Returns

Accounting Policies

- 601 The accounting policies will be set out in the annual financial statements and will be approved by the Audit and Risk Committee each year on the recommendation of the Vice-Chancellor. The Finance Director will be responsible for providing the Vice-Chancellor with appropriate professional advice on the most appropriate accounting policies having taken into account relevant professional standards and relevant professional directions. Such directions should include that provided by relevant funding bodies.
- 602 The Finance Director shall determine the most appropriate chart of accounts to enable internal financial management reporting and external financial reporting to be undertaken.
- 603 The deliberate miscoding or non-compliance of income and/or expenditure to misrepresent financial performance will be considered fraud and a disciplinary offence.
- 604 The Finance Director must put in place appropriate accounting arrangements to record intercompany activity and make sure these are reconciled on a monthly basis and appropriate cash settlements made.

Accounting Records

- 605 The Finance Director is responsible for setting out the University's document retention policy for financial records that must be adhered to.
(see [Appendix A-3](#))
- 606 The document retention policy must be the minimum required for statutory purposes.
- 607 There may be occasions when specific grants bring with them retention requirements beyond the normal statutory requirements. In those circumstances the relevant Senior Leadership Team member must agree the retention policy and procedures that will apply to those specific records with the Finance Director.

Financial Returns

- 608 All financial returns relating to the University's activity must be agreed with the Finance Director before they leave the University.
- 609 Only the Finance Director has the authority to make tax returns or to negotiate tax matters on behalf of the University.

7 Purchasing

General

701 All goods and services must be purchased in accordance with the University Group's Purchasing Policy and Purchasing Procedures. (see [Appendix A-4](#))

Purchasing limits

702

In order to ensure that purchases are made at the most favourable rates, quotations or tenders must be obtained in line with the values set out below. Where tenders are required then these should be carried out in accordance with the Tender Policy and Procedures of the University Group.

| Table 2 Value of Order or Contract | |
|------------------------------------|---|
| VALUE OF ORDER OR CONTRACT | PURCHASING REQUIREMENT |
| EXCLUSIVE OF VAT | GOODS AND SERVICES |
| ≤£5,000 | Where possible, written quotation, otherwise estimated price (can include published or catalogue pricing) |
| >£5,000 to ≤ £100,000 | A minimum of three written quotations on a UCLan quote form |
| >£100,000 ≤£164,176 | A minimum of four tenders |
| >£164,176 | EU Tender Procedures apply |
| | WORKS (CONSTRUCTION RELATED CONTRACTS) |
| ≤£1,000 | Where possible, written quotation, otherwise estimated price (can include published or catalogue pricing) |
| >£1,000 ≤ £100,000 | A minimum of three written quotations |
| >£100,00 ≤ £4.104,394 | A minimum of four tenders |
| >£4,104,394 | EU Tender Procedures apply. |

703 For all purchases over £5,000 it may, in exceptional circumstances, not be appropriate to obtain competitive quotations. This may arise where:

- Goods or services to be purchased are proprietary items, or, are additions to existing equipment or service agreements.
- The goods to be purchased are at a fixed price ie, catalogue and/or there is no genuine competition.
- Emergency, statutory or reactive maintenance and repairs.
- The budget holder considers it necessary that repairs or parts for existing plant or machinery shall be carried out by the original supplier.
- The items for sale are by public auction.
- Where the University has a requirement to franchise a course/service to another education provider.

- Local authority charges, statutory undertakings and utility organisations with a monopoly market.

Where such conditions apply a waiver request is required to be submitted before ordering. Approval of the Finance Director is required over £50,000 or the Head of Purchasing for under £50,000.

Where there is a current regional or national consortium agreement or public sector framework agreement in place, a waiver is not required.

Orders

- 704 Any single or series of orders relating to a project contract or product type of any category exceeding £5,000 can only be placed following the approval of the Finance Director (or designated nominee).
- 705 Official orders must be issued for all goods and services to be supplied (with the exception of goods and services purchased using the University's authorised purchasing card. **See [711](#)**) to the University Group except for the following supplies:
- public utility services
 - periodical payments such as rents or rates
 - petty cash payments
 - annual renewals e.g., subscriptions, software and memberships
 - photocopier charges
 - mobile phone charges
 - items which are not procurement spend e.g. contributions, student placements and secondments
 - other exceptions approved by the Finance Director
- 706 The person placing the order must ensure that expenditure is a valid charge to the University Group and that adequate budgetary provision is available to meet the expenditure. **Orders must be input into the University finance system in advance of the time the commitment is made. Orders should not be input into the finance system once goods or services or the invoice for goods and services are received.**
- 707 Where urgent or emergency orders are required then, wherever possible, fax orders may be sent to suppliers, followed by an official confirmatory order. Telephone orders should not be made other than in exceptional circumstances, where this is documented as authorised by the budget holder or the line manager as appropriate. Where this is done an official confirmatory order must be drawn up immediately. Alternatively, orders may be placed using the University's purchasing card.
- 708 The University Group's standard conditions of contract with suppliers forbids them from offering inducements of a personal nature to any member of the University Board or any member of staff and particularly those who are able to place orders. Where any such inducements are offered then staff must decline the offer and the fact that an offer was made shall be referred in writing to the Finance Director. (Refer to Purchasing Code of Conduct – **see [Appendix A-4](#)**)
- 709 University Group orders must not be used for making private purchases and any abuse shall be considered a matter for disciplinary action.

710 All official University Group orders must be produced and despatched by the local department.

Purchasing Cards

- 711 Goods and services may be purchased by the use of the University's approved purchasing card. Applications for, and the use of the purchasing card are detailed within the University Group's Purchasing Card Procedures. (see [Appendix A-5](#))

Corporate Credit Cards

- 712 It may be appropriate for some members of University Staff to have a corporate credit card in order to undertake their responsibilities. Applications for, and the use of it are detailed within the University's Corporate Card Procedures. (see [Appendix A-6](#))

Tendering

- 713 Where the University Group needs to purchase items over £100,000 the order or contract must be subject to the approved Tendering Procedures. (see [Appendix A-7](#))

EU Regulations

(see [Appendix A-2](#))

- 714 The University Group is required to comply with the EU Procurement Regulations as they apply to Public Sector Bodies. It is the responsibility of members of SLT and company directors to consult with the Head of Purchasing where there is uncertainty as to whether the EU Regulations apply to a particular purchasing transaction.

- 715 The Head of Purchasing is responsible for ensuring that the University Group complies with its legal obligations concerning European procurement legislation and for putting in place control mechanisms to ensure compliance. This responsibility placed on the Head of Purchasing does not supersede the primary responsibility placed on members of the SLT or company directors to make sure that their staff involved in the procurement process are aware of EU Procurement Regulations and the need to seek advice if there is any element of doubt.

Contracts to Supply to the University Group

(see [Appendix A-4](#))

- 716 The University Group shall use its own terms and conditions of contract wherever possible for the supply of goods and services and these are set out and available on the Purchasing Office website. Where suppliers submit their own form of contract for signature, the contract must be referred to the Head of Purchasing who will assess whether the terms and conditions are acceptable before accepting on behalf of the University Group.

- 717 Construction contracts and building maintenance contracts are subject to industry standard contracts and the University's Director of Facilities Management will assess whether the terms and conditions are acceptable before accepting on behalf of the University Group.

- 718 The specific levels of signing authority for contracts to supply the University Group are set out in [Appendix B1](#).

Settlement of Disputes

719 There are occasions when a claim is made against the University and the delegated authorities for approving settlements are set out in [Appendix B2](#).

8 Payment of Accounts

General

801 All payments for goods and services must be made through the University Group's standard payment system under the control of the Finance Director with the exception of payments from petty cash and approved purchasing cards and corporate cards.

Authorisation of invoices

802 SLT members and company directors are responsible for making sure that the University Group's standard processes are in place in their areas of responsibility to match invoices with University orders before the invoices are submitted to Financial Services for payment. Specifically they should ensure that the following checks have been made:

- That the invoice has been checked against the official order.
- That prices, calculations, trade discounts, credits and the VAT amount are correct.
- That the goods have been received or services rendered, and are satisfactory.
- That the financial coding of the order is correct in relation to the invoice received.
- That the expenditure is a proper liability of the University Group.
- That appropriate entries are made in inventories or stores records, where appropriate.
- That the invoice has not been previously passed for payment.

803 Use of copy invoices for payment should be avoided wherever possible. Where this is not possible copy invoices should be boldly marked '**COPY**' and checked to ensure they have not already been passed for payment by matching against official order.

804 Senior Leadership Team members must supply the Finance Director with the names of those staff in their department who are authorised to approve invoices for payment and the appropriate expenditure limit of such staff. Any changes must be notified to the Finance Director without delay.

Payments in advance

805 The University Group shall not pay for any goods and/or services until deliveries have been made against a University purchase order and are found to be satisfactory for the intended purpose. However, under certain circumstances, a supplier may require a payment or part payment in advance of delivery. In such circumstances, if the value of the proposed pre-payment is £5,000 or more then no order should be placed until confirmation from the Finance Director that the satisfactory credit status of the supplier has been established. The exception to this latter credit rating requirement is payments made to public sector bodies.

Petty cash payments

806 The Finance Director shall make available such imprests as are considered necessary for petty cash payments for which official orders are not required.

807 Petty cash purchases are allowed for items not exceeding £50 in value for each transaction.

808 Petty cash shall only be used for activities associated with the University Group and must not be used for the following purposes:

- Payment of travel and subsistence expenses to staff.
- As a cheque encashment facility for staff.
- Regularly recurring purchases.

809 Imprests shall be maintained and reimbursed in accordance with the cash handling procedures approved by the Finance Director. (see [Appendix A-8](#))

9 Payment of Student Fees and Bursaries

- 901 The payment of fees and expenses covers payments to students, such as research fees and placement fees and staff payments. The regulations governing trade creditors apply equally to this type of payment though in addition the authorising officer is responsible for ensuring that the fees and expenses comply with the University's published rates, regulations and procedures. No member of staff who is also a registered student shall be allowed to authorise their own claim for the payment of fees or expenses and all claims must be authorised by a head of an academic department or above.
- 902 The payment of University student bursaries and scholarships will be in accordance with the tuition fee and bursary policy approved by the Vice-Chancellor or designated nominee, under the Vice-Chancellor's scheme of delegation on an annual basis.

Payments will be made directly to the student's bank account only. Separate arrangements are in place for student bursaries and scholarships paid by the University of Central Lancashire Foundation. Responsibility lies with the student for providing the correct details of their bank account to the University. Heads must supply the Finance Director with the names of the staff within their School who are responsible for the authorisation for the payment of student bursaries. The authorising officer is responsible for ensuring that the payments comply with the University's published rates, regulations and procedures and for establishing the eligibility of the student for payment. The University reserves the right to take whatever appropriate measures it deems necessary to recover over payments/payments made in error.

10 Business Travel, Business Expenses and Subsistence Allowances

- 1001 The detailed processes and procedures for booking business travel and accommodation and the procedures that apply to the recovery and payment of travel and subsistence allowances are set out in the University's Business Travel, Expense and Subsistence procedures. (see [Appendix A-9](#)) These procedures apply to all members of staff and members of the University Board. As a matter of principle all travel should be agreed in advance with the appropriate authorised line manager. Accurate completion of appropriate expense claims is the responsibility of both the claimant and authoriser.
- 1002 As a matter of principle the University Group will look to ensure that on those occasions that its staff have to travel away from their place of employment on University business it should be at no cost to themselves, nor should there be an opportunity for financial gain for the member of staff. In setting out the University Group's Business Travel, Expense and Subsistence procedures the University Group will look to the advice and guidance given by HMRC.
- 1003 As a matter of principle no member of staff may certify their own expenses. They must be certified by a senior manager in accordance with the signing authorities set out by the relevant member of SLT, which must be consistent with delegated budget authorisation.
- 1004 On those occasions where a member of staff arranges travel through a corporate contract (eg, taxi journeys) they are responsible for making sure the appropriate manager authorises the travel expense in addition to any other authorities required to sanction the payment to the supplier.
- 1005 Members of staff who intend to use their own vehicles on University Group business must ensure that they have business use cover on their own motor insurance policy and that they have confirmed to their line manager that such cover is in place and that their vehicle is roadworthy. Line managers have the authority to ask for evidence of insurance and to advise members of staff not to use their own vehicle on University Group business if they have any concerns regarding the insurance arrangements or the condition of the vehicle the member of staff intends to use.

In respect of senior staff the following table of authorisation must be adhered to:-

| Claimant | Authorised by |
|---|---|
| Chair of the Group and University Board | Chair of Audit and Risk Committee on the recommendation of the Vice-Chancellor |
| Group and University Board Members | Chair of the University Board (or designated nominee on the recommendation of the Vice-Chancellor (or designated nominee)) |
| Vice-Chancellor | Chair of the University Board |
| Executive Team | Vice-Chancellor |
| Executive Deans | Vice-Chancellor or Finance Director |
| Deans | ≤ £1k Deputy Director of Financial Services (Support) or Finance Director >£1k Executive Team line manager for relevant Dean |
| Directors/Heads of Service | Executive Team line manager responsible for relevant Director/Head |

Expenses in respect of University Board Members will be authorised by a nominated representative of the Chair on the recommendation of the Vice-Chancellor (or nominee).

Expenses in respect of the Chair will be reimbursed in line with the scheme authorised by the Group and University Board.

11 Corporate Hospitality

- 1101 Careful judgement must be used when providing or receiving corporate/business hospitality though it is recognised that it is an accepted part of commercial life.
- 1102 The University Group's Purchasing Procedures provides guidance on how to deal with offers of gifts, hospitality or sponsorship from suppliers as part of the Purchasing Code of Conduct. All staff are expected to comply with the standards included in the Code of Conduct and to encourage suppliers to recognise that the University Group sets such standards for their staff.
(see [Appendix A-4](#))
- 1103 There may be occasions when potential suppliers or other individuals wishing to strengthen their relationship with the University Group offer gifts, hospitality or sponsorship. Once again staff are expected to take into account the best practice set out in the Purchasing Code of Conduct.
(see [Appendix A-4](#))
- 1104 If gifts, hospitality or sponsorship is accepted it should only be done so with the prior approval of the relevant member of SLT or designated nominee. Each member of SLT should make sure that a register of gifts, hospitality or sponsorship is maintained for their area of responsibility, in line with the guidance in [Appendix J](#) - Anti Corruption and Bribery Policy.
- 1105 There may be occasions when the particular culture in a country in which the University Group has business interests result in gifts of significant value being offered to individuals and to refuse may cause offence and damage an important business relationship. On those occasions it may be appropriate to accept such a gift but it should be seen as a gift to the University Group though the donor may consider the gift to be a personal gift. Such gifts should be declared to the Finance Director as soon as practical, and the Finance Director will be responsible for advising the Vice-Chancellor on the most appropriate way of storing the gift in the circumstances. A register of valuable gifts and their location will be kept by the Finance Director. Please note guidance in [Appendix J](#)
- 1106 Providing hospitality to customers, suppliers and other organisations and individuals who are associated with the University Group can often be done through planned corporate events. There may be occasions when it is more appropriate for hospitality to be offered in a less formal way. If this is considered appropriate prior approval should be obtained from the relevant member of SLT or designated nominee. Staff entertaining guests should normally use the University's catering facilities but where this may not be appropriate and external facilities are used payment should be made using either a University purchasing card or corporate card. An explanation as to why internal facilities had not been used should be included with the card payment records submitted for approval under the relevant procedures. **Hospitality costs should be treated in the same way as personal expenses in that the payments cannot be self-certified and the expense must be authorised, with appropriate receipts, by the relevant member of SLT or designated nominee in addition to any other authorisation required to process the payment.**
- 1107 Clearly circumstances vary when hospitality is being given, for example, it would not normally be expected to exceed one pre-meal drink and a half a bottle of wine per person. Hospitality provided should be seen as being reasonable, but not excessive and being an average for the facility and location. It is the responsibility of the SLT members to satisfy themselves on the reasonableness of the hospitality and to determine when Executive Team approval is appropriate (taking guidance from [Appendix J](#)). If exceptional circumstances apply, approval of the relevant Executive Team line manager is required, before any hospitality is given.

12 Salaries and Wages

General

- 1201 The appointment of staff is a responsibility delegated to members of SLT though they may delegate authority for recruitment to staff within their line management. They must make sure that all staff recruitments are made in accordance with the University's Human Resources policies and procedures as set out in the Human Resource Strategy and that the source of funding any member of staff's employment costs is clear to them at the time of appointment
- 1202 The payment of all salaries, wages and any other emoluments shall be made under arrangements approved by the Finance Director. The Finance Director shall also be responsible for the maintenance of all payroll related records and the submission of statutory returns, such as those relating to tax, national insurance and superannuation, in accordance with the prescribed deadlines.
- 1203 The Director of Human Resources shall be responsible for the maintenance of up-to-date employee personnel records and the provision of the necessary information to the Finance Director on a timely basis, to enable the accurate payment of all salaries, wages and emoluments. No changes can be made to an employee's salary, wage or emolument unless an instruction has been given by the Director of Human Resources or designated nominee/s in the appropriate manner. It is the responsibility of SLT members to ensure that accurate and timely information is supplied to Human Resources.
- 1204 The Finance Director must put in place internal accounting controls to ensure the accuracy and integrity of payroll data and these must be reconciled on a monthly basis.
- 1205 It is the responsibility of members of SLT to put in place a procedure to review the monthly staff costs for their area of operation, in order to satisfy themselves that the costs are accurate and complete and that there is no evidence of fraudulent claims.

Time records

- 1206 Ad-hoc payroll claims and other payroll related documents shall be certified and be in a form agreed by the Finance Director.
- 1207 The names and specimen signatures of officers authorised to sign ad-hoc payroll claims shall be sent to the Finance Director who shall be notified of any changes immediately.

Payment methods

- 1208 All payments of salaries and wages shall be made direct to a member of staff's bank account unless otherwise authorised by the Finance Director.
- 1209 No salary advance payments should be made unless authorised by the Finance Director or nominee.

Recovery of salary or wage overpayments

- 1210 On those occasions where a member of staff has been overpaid the timing and method of recovery is to be determined by the Finance Director or designated nominee.

13 Income

General

1301 The Finance Director has overall responsibility for the collection, recording and custody of all sources of University Group income. All receipts, invoices, tickets or other official documentation must have the approval of the Finance Director (or his nominated manager).

Pricing of Goods and Services

1302 The pricing of some services provided by the University Group are set by statute. There are other goods and services however that are not regulated. [Appendix C1](#) sets out the delegated authorities for signing contracts that commit the University to deliver goods and services, for the setting of prices and also where the official price lists should be held.

1303 Notwithstanding the delegation of authority to set prices, as a matter of principle prices are expected to meet the full economic cost of providing the good or service.

1304 The Finance Director is responsible for making sure adequate information is available to those responsible for setting prices such that they are aware of the full economic cost of the goods or services they are providing.

1305 The Director of UCLan Funding Development & Support is responsible for setting out the University's bid approval process which will include direction on the basis of pricing to be adopted for bids for external funding and the necessary approval process to be followed before bids are submitted on behalf of the University Group.

1306 The annual budget document will include details of the prices for tuition and accommodation.

Cash income

1307 Staff responsible for the handling and custody of cash must adhere to the following procedures:

- All monies and any other valuable items must be held in cash drawers, where available, and shall be locked when not in use.
- Cash income must not be counted in public view or left unattended, even temporarily.
- Unauthorised persons must not be allowed into income receiving points.
- Monies received should, wherever possible, be balanced and paid **daily** into Financial Services or the University Group's Bank Accounts on the same day. Where this is not possible this must be done by the next working day. The exception to this rule is where certain areas of operation have a secure collection service.
- Where the cumulative amount of monies received do not exceed £100, and they are stored in a secure receptacle, they must be paid into Financial Services or the University Group's Bank Accounts on a **weekly** basis (by Friday at 2.00 p.m.).
- The Primary budget holder must ensure that adequate safe facilities are provided in or near regular income receiving points. Safes must be kept locked at all times except when in use to deposit or receive monies or other items.
- Post-dated cheques must not be accepted for payment.
- An official University Group receipt must be given for all monies received.
- The cash amount held in the safe must not exceed the limit on the safe schedule drawn up for the University Group's insurers.

- 1308 Detailed cash handling procedure notes concerning all administrative procedures relating to the control of cash income and receipts will be made available by the Finance Director and must be adhered to by all staff involved in cash handling. (see [Appendix A-10](#))

Sales Invoices

- 1309 The production of sales invoices for all goods and services supplied by the University Group must be made on official University or company invoices and in accordance with procedures set out by the Finance Director. (see [Appendix A-11](#))
- 1310 No debt in respect of an amount due to any part of the University Group shall be discharged in whole or in part other than by payment or the issue of an official credit note on the authority of the Finance Director.

Debt recovery

- 1311 Detailed guidance on debt recovery is set out in the University Group's Debt Recovery Policy and Procedures. (see [Appendix A-12](#))

14 Bank Accounts, Treasury Management and Tax Management

Bank Accounts

- 1401 The Finance Director shall be responsible for setting out the procedures to be used for the operation of all bank accounts of all entities within the University Group.
(see [Appendix A-13](#))
- 1402 No member of staff, other than the Finance Director, shall open any account with a bank or other financial institution in the name of the University or for activities associated with the University, or any part of the University Group without the express permission of the Finance Director.
- 1403 All University Group business must be conducted through the official bank accounts of the University Group or accounts approved by the Finance Director.
- 1404 A bank reconciliation of each account shall be carried out monthly and shall be reviewed and approved by an authorised representative of the Finance Director.

Cheque signature requirements

- 1405 Cheques of a value greater than £5,000 but less than £100,000 drawn on any of the University Group's accounts will require **two** signatures in accordance with the bank mandate current at the time.
- 1406 Cheques of a value greater than £100,000 drawn on any of the University Group's accounts will require **three** signatures in accordance with the bank mandate current at the time, on the cheque, one of which maybe the computer produced facsimile signature of the Vice-Chancellor.

Treasury Management

- 1407 The Finance Director is responsible for putting in place adequate procedures for identifying the University Group's cashflow year on year and within an individual financial year. The financial strategy, the financial plan and the annual budget will identify the financing requirements of the University Group and the likely level of funds available for long term and short term investment.
(see [Appendix A-14](#))
- 1408 The Vice-Chancellor will approve the University Group's Treasury Management Policy and all executive decisions concerning borrowing, investment or financing within the policy shall be delegated to the Finance Director. The Finance Director will report quarterly to the Vice-Chancellor on Treasury Management activity.
- 1409 The giving of bank guarantees to other organisations is a matter reserved to the University Board and the necessary authorities are contained in the University Board's Governance Manual.

Tax Management

- 1410 The Finance Director is responsible for the management and reporting of all aspects of the University Group's tax affairs to the relevant authorities as they apply to activity in both the UK and overseas. Consequently, only the Finance Director or delegated individuals can seek professional tax advice on behalf of the University Group.

- 1411 Appropriate advice must be provided by the Finance Director to members of SLT so that they are able to make sure their staff comply with the appropriate procedures for recording and reporting on the University Group's tax affairs. **(see [Appendix A-15](#))**
- 1412 The Finance Director is responsible for advising the Vice-Chancellor on tax matters and for recommending to the Vice-Chancellor the tax strategies to be adopted by the University Group.
- 1413 The Vice-Chancellor will advise the University Board on appropriate tax issues and the University Group's tax risk and exposure through their regular committee reports.

15 Assets

General

- 1501 Fixed assets and their accounting treatment are defined in the University Group's Accounting Policies and would normally comprise land and buildings owned or leased by any part of the University Group, furniture, fixtures and fittings, equipment plant and vehicles.
- 1502 The Chief Operating Officer is responsible for maintaining the University Group's land terrier, which records all plots of land owned by the University Group and is also responsible for the maintenance of buildings and fixed plant.
- 1503 The Chief Operating Officer is responsible for the acquisition or disposal of land and buildings which must be in accordance with the Estate Strategy agreed by the University Board.
- 1504 The Chief Operating Officer is responsible for determining the allocation of space to individual academic and administrative departments.

Security of assets

- 1505 The Director of Facilities Management shall be responsible for maintaining security of all land and buildings, furniture, equipment, plant, stores and other assets of the University Group.
- 1506 Each member of SLT shall take every reasonable care to safeguard all furniture, equipment, plant, stores and other assets under their control.
- 1507 In any case where security is considered to be defective or where it is believed that special security arrangements may need to be introduced, this must be reported to the Director of Facilities Management.

Inventories

- 1508 Members of SLT are responsible for the maintenance of accurate inventories, by building, of all items of furniture, fittings, equipment, plant and machinery of a value greater than £500, for which they are responsible, in a form approved by the Finance Director.
(see [Appendix A-16](#))
- 1509 The property of any part of the University Group must not be removed from the premises, or used other than in the course of the University Group's purposes, except with the approval of the appropriate member of SLT or company director. Where property is temporarily removed from its normal location appropriate records entries must be made on the inventory record.
(see [Appendix A-19](#))
- 1510 Members of SLT or directors of subsidiary companies shall arrange periodic physical checks on all inventories under their control on a not less than annual basis or where any significant office move is planned. A record that each item on the inventory has been checked should be suitably documented.
(see [Appendix A-16](#))

Disposal and write off of inventory items

- 1511 The write off and disposal of inventory items shall be in accordance with the procedures approved by the Finance Director
(see [Appendix A-17](#))
- 1512 The authorisation of the relevant member of SLT or company director must be obtained before any inventory items can be recommended for disposal or write off. Members of SLT or

directors of subsidiary companies shall be responsible for ensuring that all asset and inventory records for which they are responsible are promptly updated.

- 1513 The approval of the Finance Director must be obtained before any inventory items of the University Group can be disposed of or written off.
- 1514 Proceeds from the disposal of University Group inventory items do not automatically accrue to the department that disposed of the assets. The Vice-Chancellor has the discretion on the use of such proceeds in consideration of the overall benefit to the University and will be advised by the Finance Director.

Financial limits that apply to the disposal of inventory items

1515 The method used for the disposal of inventory items shall be as follows:

- Where the estimated sale value of the item is less than £500, then the asset shall be disposed of by whichever method is considered most appropriate by the budget holder, as long as the disposal represents value for money to the University Group.
- Where the estimated sale value of the item exceeds £500 (and is not a vehicle), then the asset should, in the first instance, be offered for use in another area in the University Group and if this yields no response should be advertised publicly and competitive tenders obtained.
- Where a vehicle is to be disposed of, separate procedures apply which involve advertising the vehicle internally, as well as in the local press, allowing at least three days for a viewing date. Alternatively, a vehicle may be used as trade-in against a replacement vehicle in line with the University Group's vehicle replacement strategy.

Sales to members of staff

1516 Where an inventory item is sold to a member of staff, the member of SLT or company director disposing of the item must authorise the transaction and countersign the sale documents. Where the purchaser is a member of SLT or the Executive Team, all sale documents must be authorised by the relevant line manager.

Further guidance

1517 Full details of all procedures to be followed for the disposal and write off of assets are set out in the University Group's Asset Disposal Procedure Notes. (see [Appendix A-17](#))

Non Tangible assets

- 1518 Certain activities undertaken within the University Group may give rise to ideas, designs and inventions which may be patentable and/or commercially exploitable. These are collectively known as intellectual property.
- 1519 The University Group has set out clear procedures regarding the ownership and exploitation of intellectual property in its Intellectual Property Procedures. (see [Appendix A-18](#))

16 Risk Management and Insurance

General

- 1601 The Vice-Chancellor has overall responsibility for making sure that the University Group has in place appropriate policies and procedures for the management of risk and that they are kept up to date. The strategy for managing risk will include putting in place appropriate insurances. (see [Appendix A-20](#))

Insurance

- 1602 The Finance Director is responsible for putting in place insurance cover consistent with the requirements of the risk management process and identified external requirements (eg, bank covenants).
- 1603 The extent of any self-insurance either through policy excesses or as a result of a conscious decision to cover a potential risk from University Group funds shall be within parameters set by the Vice-Chancellor as part of the annual risk management review.
- 1604 The Finance Director is responsible for advising the SLT each year on the extent of the University Group's insurance policies.
- 1605 Members of SLT and company directors are responsible for making sure that the insurance requirements in any legal contracts they sign on behalf of the University Group under delegated authority are in accordance with the insurance arrangements the University Group has in place at the time. (see [Appendix A-20](#))

Notification of new risks

- 1606 The risk management process places a clear responsibility on members of the Executive Team to advise the Vice-Chancellor of any new business risks and the business controls that will be used to manage the risk. They should also advise the Vice-Chancellor on the likelihood and materiality of any new risk. The Finance Director is responsible for advising the Vice-Chancellor on the opportunities to secure insurance for any new risks.
- 1607 The members of SLT and company directors are responsible for making sure that where their areas of operational responsibility engage in new activities, particularly in the provision of goods and services; proper consideration is given to the business risks and potential insurance implications. Where there is any element of doubt as to whether the activity is covered by the University Group's existing insurance arrangements advice must be sought from the Finance Director before any contractual commitment is made.
- 1608 Where new activity requires additional insurance cover at a cost, but the activity is an income generating one, then the additional costs must be recovered through the price charged to the customer. Where the activity is not an income generating activity, but part of the University Group's core academic objectives then the decision to meet the additional insurance costs will be determined jointly by the Finance Director and Deputy Vice-Chancellor (Academic), where the new decision incurs costs of over £25k. This is after considering the academic justification for the activity and the financial affordability of the additional costs.

Notification of Insurance Claims

- 1609 The Finance Director or designated nominee must be promptly notified, in writing, of any loss, liability or damage or any event likely to lead to an insurance claim and shall take any action necessary to satisfy the insurance policy conditions.

Staff responsibilities

- 1610 Members of staff have a responsibility to make sure their SLT member or company directors are aware of all business risks affecting the University Group in their area of operation.
- 1611 Members of SLT are responsible for keeping their Executive Team lead advised on changes in business risks as and when they become apparent.
- 1612 Members of staff involved in an incident, which may give rise to an insurance claim by a third party against the University Group, must not make any admission of liability on behalf of the University Group. Staff should comply with the general duties guideline contained in the insurance procedures issued by the Finance Director.
- 1613 Members of staff who remove University Group assets to use at home or another place of work, must for insurance purposes, ensure that Form FinG13 (see [Appendix I](#)) has been completed prior to the removal of the asset from the University or its subsidiaries. It is the responsibility of the SLT member or company to make sure inventories are updated to reflect items that are at the homes of individuals.

17 Value for Money

General

- 1701 The Vice-Chancellor has overall responsibility for making sure that the University Group has appropriate policies and processes in place to secure value for money and that these are communicated effectively across the University Group.

Responsibilities of Executive Team

- 1702 The Executive Team are responsible for making sure that those parts of the University for which they provide an executive lead have adopted the standard University Group processes for the economical, efficient and effective use of resources and that all appropriate steps are being taken to minimise waste and avoid extravagance.
- 1703 The individual members of Executive Team are responsible for discussing budget savings as a result of value for money initiatives with the Finance Director and for making joint recommendations to the Vice-Chancellor for the use of any savings.

Responsibilities of SLT and Company directors

- 1704 Members of SLT and company directors are responsible for making sure that the areas of University Group business for which they provide operational leadership are clearly able to demonstrate that they are delivering the operational outcomes at the appropriate quality agreed with their Executive Team lead for the minimum cost. Where members of SLT and company directors are able to make savings on costs that would enable budget levels to be reduced they are expected to identify those to their Executive Team lead.

Responsibilities of Staff

- 1705 Whilst it is a management responsibility to lead on value for money, each member of staff has a responsibility to take steps to eliminate waste and discourage extravagance through their personal actions. They also have a responsibility to bring to the attention of their line manager any opportunities that they believe are available to reduce costs within existing procurement regulations.

18 Fraud

- 1801 The University Group through the Vice-Chancellor and the University Board has a corporate statement on the prevention and detection of fraud and this is attached as [Appendix G](#).
- 1802 The University Group also has a Fraud Response Plan ([Appendix H](#)) that sets out the steps a member of staff should take should they suspect a fraud to have taken place. The Fraud Response Plan also sets out the steps the University will take should a fraud be reported.
- 1803 The corporate statement on fraud confirms that the University Group does not regard fraud in the narrow sense of theft or misappropriation of University assets, but in the wider sense that includes the misuse of University Group resources or the misrepresentation of information not for direct personal gain but in order to misrepresent personal performance against agreed objectives and/or targets.

19 Information Technology

General

1901 The relevant member of Executive Team is responsible for determining the University Group's annual information technology investment requirements within the parameters set in the financial strategy and consistent with the Information Strategy as part of the annual budgeting process.

Use of Information Technology Facilities

1902 The Director of Learning and Information Services is responsible for producing the governance arrangements, as they apply to the use of the University Group's information technology facilities.

20 Other Regulations and Procedures

Trust funds

- 2001 Bequests and donations that have been made to the University for a specific purpose shall only be used for the purpose intended. The ability of the University to comply with the bequest or donation will be regularly reviewed by the Finance Director and the Chief Operating Officer and appropriate legal opinions sought before being reported to the Vice-Chancellor prior to discussion with any Trustee body.
- 2002 The Finance Director shall be responsible for the maintenance of separate financial accounts and records for the proper control of the trust funds.
- 2003 Surplus balances on trust funds shall be invested in accordance with any agreed Investment policies and the proceeds arising shall be available for the benefit of the purposes for which the trusts were established subject to any terms or conditions of the trust.
- 2004 Payments made from Trust Funds will be in accordance with procedures agreed by the Finance Director.

Project Management

- 2005 The performance of a project or activity must not commence without a valid contract in place covering the proposed project or activity. This means that a contract must be signed by all of the relevant parties involved, including the University Group and at least one copy retained by the University Group prior to performance of the project or activity.

Anti-Corruption and Bribery

- 2006 The University has adopted an anti-corruption and bribery policy and procedure which is designed to comply with the Bribery Act 2010. (see [Appendix J](#))