

UNIVERSITY OF LINCOLN

FINANCIAL REGULATIONS

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STATEMENT OF FINANCIAL GUIDING PRINCIPLES

The Financial Guiding Principles set out below support and direct every member of the University in achieving our Corporate Objective of “creating a financial environment to allow us to invest in our future”.

- **We shall obey the law and abide by relevant regulations**
- **All financial decisions shall be consistent with the University’s aims and objectives**
- **We shall conduct our financial business with integrity, openness and honesty**
- **We will protect the University’s financial information, assets and interests**
- **We shall strive to obtain value for money and consider sustainability in all our dealings**
- **We shall keep accurate financial records**

The Financial Regulations is a key document that governs the way that the University manages its financial affairs. Apart from certain specific requirements, it is a principles-based document that refers to supporting policies and procedures that provide more detailed guidance.

It is impossible for the Financial Regulations and supporting policies and procedures to cover each and every scenario that an individual may encounter. The financial guiding principles set out above provide high-level guidance. If there is no reference to a specific circumstance, then adherence to these principles will ensure that officers and employees are acting in a proper and appropriate manner.

1 General

1.1 Introduction

- 1.1.1 The University is a higher education corporation created under the provisions of the Education Reform Act 1988, as amended by the Further and Higher Education Act 1992. Its structure of governance is laid down in the Instrument and Articles of Government. The Instrument of Government can only be amended by legislation and the Articles of Government by the Privy Council. The University is accountable through its Board of Governors, which has ultimate responsibility for overseeing its activities and securing its solvency.
- 1.1.2 The University of Lincoln is an exempt charity with the charitable objects of providing higher education and further education, and of carrying out research and publishing the results. The members of the Board of Governors, who include the Vice Chancellor and staff and student members, are the trustees of the charity.
- 1.1.3 Since 1 June 2010, the University has been regulated by the Higher Education Funding Council for England (HEFCE) as the principal regulator of English Higher Education Institutions. The University also receives grant funding from HEFCE. The Memorandum of Assurance and Accountability between HEFCE and the University sets out the terms and conditions on which grant is made. The Board of Governors is responsible for ensuring that conditions of grant are met. As part of this process the University must adhere to the HEFCE Audit Code of Practice, which requires the University to have sound systems of financial and management control.
- 1.1.4 The Board of Governors is responsible for the effective and efficient use of resources, the solvency of the University and the Corporation and for the safeguarding of assets. The Financial Regulations of the University form part of the overall system of accountability and financial management and control in support of these responsibilities.

1.2 Status of the Financial Regulations

- 1.2.1 These Financial Regulations have been approved by the Board of Governors and are mandatory. Officers and employees are required to apply and abide by these regulations to ensure that the University operates with integrity and in accordance with the HEFCE Memorandum of Assurance and Accountability.
- 1.2.2 The Financial Regulations are subordinate to the University's Articles of Government. They are also subordinate to any restrictions contained within the University's Memorandum of Assurance and Accountability with HEFCE and the HEFCE Audit Code of Practice.
- 1.2.3 The Financial Regulations apply to the University and all subsidiary undertakings. In these Financial Regulations, where relevant, the term 'University' includes the University and all subsidiary companies under the control of the University.
- 1.2.4 The Chief Finance Officer will review the regulations annually and propose any amendments to the Board of Governors, via Audit Committee.

1.3 Responsibility for Compliance

- 1.3.1 Compliance with the Financial Regulations is compulsory for all officers and employees of the University.
- 1.3.2 Officers and employees include all University staff members on a permanent or fixed term employment contract.
- 1.3.3 It is the responsibility of all officers and employees to read and understand the Financial Regulations and underpinning policies and procedures.
- 1.3.4 Any officer or employee who fails to comply with the Financial Regulations may be subject to disciplinary action under the University Disciplinary Policy and Procedure.
- 1.3.5 The Financial Regulations also apply to all temporary employees and contractors working at, or on behalf of, the University who carry out activities that fall within the scope of the Financial Regulations. It is the responsibility of all Head of Colleges and Heads of Professional Services to ensure that any temporary employee or contractor operating under their responsibility reads and adheres to the Financial Regulations where relevant and applicable to the services they are providing.
- 1.3.6 In exceptional circumstances, the Chief Finance Officer may authorise a temporary departure from the detailed provisions within the Financial Regulations to a limit of £25,000. The form in Appendix B should be completed when requesting a temporary waiver of the regulations. Any authorised departures shall be reported to the Chair of Audit Committee.
- 1.3.7 Any departure from the Financial Regulations involving an amount greater than £25,000 requires prior approval of the Chair of the Board of Governors (or, if absent, the Deputy Chair) and shall be reported to Audit Committee.

1.4 Scheme of Delegated Financial Authorities

- 1.4.1 The purpose of the Scheme of Delegated Financial Authorities is to provide clarity as to who is authorised to conduct financial transactions on behalf of the University. The scheme is to ensure efficient day-to-day working whilst minimising the risk of fraud, error and inappropriate commercial transactions.
- 1.4.2 The Scheme of Delegated Financial Authorities is set out in detail in Appendix A.
- 1.4.3 Within the Scheme of Delegated Authorities, and as applicable throughout these Financial Regulations, the term 'Budget Holders' includes all officers and employees with direct budget responsibility, along with those who have been delegated authority to control budgets.
- 1.4.4 The following principles underpin all decisions taken within the Scheme:
 - The person to whom the authority has been delegated should only make decisions within their own area of responsibility. That is, one Budget Holder should not take a decision that commits another Budget Holder without their consent.
 - Where sub-delegation takes place this may only be delegated down one tier (as set out in Appendix A).

- Financial decisions should only be taken when the relevant University Policies and Procedures have been followed.
- Where a third party has provided funding, decisions should only be taken when the relevant funding body's regulations have been followed.
- Approval documentation must always be maintained.

1.4.5 The following financial decisions can never be delegated and always vest with the Board of Governors:

- To approve the University budget and five year plans
- To approve the annual Financial Statements
- To appoint the University bankers
- To appoint the internal and external auditors
- To approve the Treasury Management Policy

2 Corporate Governance

2.1 Responsibilities

- 2.1.1 The Board of Governors has designated the Vice Chancellor to be the accountable officer responsible for the implementation of the University's strategic objectives.
- 2.1.2 The Chief Finance Officer is responsible to the Board of Governors, through the Vice Chancellor, for the financial management of the University.

2.2 Risk Management

- 2.2.1 The University 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.
- 2.2.2 The adoption and oversight of the University's Risk Management Policy is the responsibility of Board of Governors. The Vice-Chancellor and the Senior Leadership Team are responsible for the implementation of the policy, which is managed by the Director of Planning & Business Intelligence. In addition the Audit Committee provides oversight of risk management, providing a formalised reporting and appraisal mechanism.

2.3 Audit

- 2.3.1 All accounting and supporting records are subject to annual audit by the External Auditors. The External Auditors have a right of access at all reasonable times to the books and accounts and vouchers of the university and are entitled to require from the officers of the University such information and explanations as may be necessary for the performance of their duties.
- 2.3.2 The University appoints Internal Auditors in accordance with the Memorandum of Assurance and Accountability between the University and the HEFCE. This function provides an independent appraisal for the University across all systems and procedures.
- 2.3.3 The Internal Auditors will have a right of access at all times to all University records, information and assets which they consider necessary to fulfil their responsibilities. They are entitled to require from any officer or employee of the University such information and explanations as may be necessary for the performance of their duties.
- 2.3.4 The Internal and External Auditors shall be appointed by the Board of Governors on recommendation of the Audit Committee.

2.4 Fraud and Bribery

- 2.4.1 Heads of College/Professional Service are responsible for ensuring that appropriate procedures are put in place to ensure that all members of their areas comply with all Financial Regulations and any other financial instructions.
- 2.4.2 The Chief Finance Officer will support these regulations by the issue of more detailed guidance and instructions to Heads of Professional Service and Schools from time to time.
- 2.4.3 In order to act in an appropriate manner, employees are expected to observe the Financial Guiding Principles.
- 2.4.4 All officers and employees shall ensure that any financial transaction to which they are party, in the course of their duties, shall be wholly exclusively and necessarily in the interests of the University and shall be properly authorised and recorded in the records and accounts of the University. Where any actual or potential conflict of interest arises this should be declared to the Head of College/Professional Service. If considered necessary, further guidance and advice should be obtained from the Chief Finance Officer.
- 2.4.5 Heads of College/Professional Service shall promptly inform the Chief Finance Officer of any irregularities affecting income, expenditure, cash, intellectual and other property of the University.
- 2.4.6 It is an offence under the Bribery Act 2010 for members of staff to offer, promise, give, request, agree to receive or accept financial or other advantage with the intention of inducing or rewarding the improper performance of a function or activity or knowing or believing that the giving or acceptance of the advantage would itself constitute the improper performance. Details of gifts and hospitality that members of staff may and may not accept are included within the University's Gifts and Hospitality Policy.
- 2.4.7 A register is kept by the Finance Department containing a declaration by senior officers and employees, with the authority to commit to significant amounts of expenditure, of all commercial interests of themselves and close relatives in any organisation which is a supplier or a potential provider of goods and services in any form to the University. The Chief Finance Officer is responsible for updating this register on an annual basis.

2.5 Financial Misconduct and 'Whistle Blowing'

- 2.5.1 If an individual suspects any matter which is thought to involve financial misconduct in the exercise of the activities of the University, the individual should notify the Chief Finance Officer or another appropriate member of the Senior Leadership Team.
- 2.5.2 If an individual is not satisfied that their complaint has resulted in the appropriate action they should consider following the procedures set out within the University's Public Interest Disclosure (Whistle Blowing) Policy which is available on the University Portal.
- 2.5.3 The University views fraud and bribery very seriously and will take appropriate action to ensure that the public interest is safeguarded.

3 Financial Management

3.1 *Accounting Records, Procedures and Principles*

- 3.1.1 All accounting records and procedures of the University are subject to the approval and control of the Chief Finance Officer.
- 3.1.2 All officers and employees shall make available any relevant accounting records or information to the Chief Finance Officer as requested.
- 3.1.3 Changes to accounting records, documents or procedures may only be made following consultation with the Chief Finance Officer or their deputies, acting with delegated authority.
- 3.1.4 The Chief Finance Officer shall be responsible for keeping all financial procedures under review and will implement changes to procedures or systems as may be necessary for efficient and effective financial control.
- 3.1.5 All receipt books, forms, tickets and sales invoices shall be ordered, controlled and issued by the Finance Department under the direction of the Chief Finance Officer.
- 3.1.6 The Chief Finance Officer shall be responsible for the preparation of a report to the Board of Governors on the Annual Accounts of the University following the end of the Financial Year on 31 July, together with reports on actual and forecast financial performance throughout the year.
- 3.1.7 The Chief Finance Officer shall be responsible for the preparation of cash flow forecasts as required as part of the on-going monitoring of bank balances and current/future debt exposure and to present to Board of Governors to support the affordability of Income and Expenditure Budgets and capital investment proposals.
- 3.1.8 All financial information to be included on a Board of Governors and Senior Leadership Team agendas shall be subject to assessment by the Chief Finance Officer or an appropriate delegate, prior to being considered by committee.
- 3.1.9 The minimum period for the retention of financial records and related documents shall be specified by the Chief Finance Officer.

3.2 *Treasury Management*

- 3.2.1 The Board of Governors is responsible for approving the University's Treasury Management Policy, which sets out a strategy and policies for cash management, long-term investments and borrowings. The Treasury Management policy must comply with the requirements of CIPFA's Code of Practice on Treasury Management.

3.3 Banking Arrangements

- 3.3.1 In this section the term 'bank' includes all types of funds transfer facilities including, but not limited to, current accounts, deposit accounts, credit cards, prepaid debit cards and PayPal accounts.
- 3.3.2 All arrangements with the University's bankers concerning the operation of bank accounts for the receipt and disbursement of University funds will be made by the Chief Financial Officer and approved by Board of Governors.
- 3.3.3 Payments will be made out of the University's bank accounts by authorised electronic transfer and by cheques bearing the manuscript signatures of those individuals specified in the Bank Mandate.
- 3.3.4 The Bank Mandate shall be reviewed at least annually and any amendments should be in accordance with the Scheme of Delegation and approved by the Chief Finance Officer.
- 3.3.5 All bank accounts relating to the University shall include in their title "University of Lincoln".
- 3.3.6 The Chief Financial Officer and one other member of the Senior Leadership Team are jointly authorised to open bank accounts as and when required for the receipt and disbursement of University Funds. No other officer or employee may open any form of banking facility on behalf of the University.

3.4 Contracts

- 3.4.1 In this section the term 'contract' specifically refers to any contract that enters the University into a legal financial commitment (excluding contracts of employment). Any contract that involves the creation of, or investment in, any form of subsidiary, joint venture, associate or spin-out company is considered in section 4.
- 3.4.2 Contracts may only be made by persons acting under the express or implied authority of the Board of Governors within the parameters defined in the Scheme of Delegated Financial Authorities (as set out in Appendix A).
- 3.4.3 Contracts may only be made where the appropriate legal and professional advice has been taken. Any contract entered into by any officer or employee without appropriate legal and professional advice shall be considered a breach of these Financial Regulations.
- 3.4.4 Contracts valued over £100,000 require advice from the Head of Purchasing and Procurement to determine the most appropriate method of execution of that contract.

- 3.4.5 Certain documents that are executed by the seal being affixed must be signed by the Vice Chancellor (or in their absence a Deputy Vice Chancellor) and a lay Governor. The Clerk to the Board of Governors is responsible for submitting a report to each meeting of the Board of Governors detailing the use of the University's seal since the last meeting.
- 3.4.7 The Chief Finance Officer should be consulted before any form of indemnity, security or compensation arrangement, for whatever purpose, is given.

4 Income, Commercial Activity and Debtors

4.1 Invoicing and Collection of 'Non-Cash' Income

- 4.1.1 All student fee income must be collected in accordance with the University Regulations.
- 4.1.2 All research, educational contract and consultancy activity should be undertaken in accordance with procedures approved by the Director of Research and Enterprise.
- 4.1.3 Levels of charges for contract research, services rendered, goods supplied and rents and lettings are determined by procedures approved by the Senior Leadership Team.
- 4.1.4 The setting of credit limits for commercial customers shall be determined by procedures set out by the Chief Finance Officer. No commercial activity should be undertaken for a new customer until appropriate credit checks have been carried out by the Finance Department. It is the responsibility of the relevant officer or employee to inform the Finance Department of new commercial customers and request the appropriate credit checks.
- 4.1.5 The collection of all income due to the University is under the control of the Chief Finance Officer. All monies should be promptly paid over to the Finance Department unless the Chief Finance Officer has specifically approved alternative paying-in arrangements.
- 4.1.6 All sales invoices or requests for payment shall be controlled and raised by Finance except where specific approval to make alternative arrangements has been granted by the Chief Finance Officer.
- 4.1.7 All sales invoices or requests for payment shall specify that cheques should be made payable to "University of Lincoln" and not to any other commercial body or individual.
- 4.1.8 Refunds shall only be made in accordance with the Refund Policy and the Scheme of Delegated Financial Authorities set out in Appendix A.
- 4.1.9 Debts can only be written off in accordance with the Scheme of Delegated Financial Authorities set out in Appendix A.

4.2 Cash Income

- 4.2.1 All cash received by the University must be recorded at source. Staff at designated collection points must prepare monies for banking and the appropriate paperwork should be forwarded promptly to the Finance Department in line with the University's banking procedures. Cash should only be accepted at designated collection points (where till points and PDQ machines are located).
- 4.2.2 Cash should not be sent through the internal post. Any losses incurred in this way will be required to be made good by the sender.
- 4.2.3 All cash income must be held securely within insurance limits.
- 4.2.4 Cash received should not be diverted for expenditure or used for the encashment of personal cheques or for loans. All income must be promptly paid intact to the Finance Department or the University's bank account.
- 4.2.5 Colleges and Professional Service Departments are not permitted to operate petty cash floats unless specifically approved by the Chief Finance Officer.

4.3 Fundraising and Gifts Received

- 4.3.1 The Chief Finance Officer is responsible for maintaining financial records in respect of gifts, benefactions and donations made to the University and initiating claims for recovery of tax where appropriate.
- 4.3.2 The Development Office is responsible for ensuring that all gifts, benefactions and donations are operated within any relevant legislation and any individual specific requirement.

4.4 Student Welfare and Access Funds

- 4.4.1 The Chief Finance Officer is responsible for prescribing the system for the recording of student welfare and access funds.
- 4.4.2 Student Affairs are responsible for maintaining accurate financial records in respect of student welfare and access funds and reporting to HEFCE in accordance with their requirements.

4.5 *Private Work and Other Appointments*

- 4.5.1 Unless otherwise stated in an employee's contract, outside consultancies or other paid work may not be accepted without the written consent of the Head of College or Head of Professional Service (and in the case of the Head of College or Director of Professional Service, the Vice Chancellor).
- 4.5.2 Applications for permission to undertake work as a purely private activity must be submitted to the Head of College/ Professional Service or Vice Chancellor, as appropriate.

4.6 *Subsidiaries, Joint Ventures and Associated Companies*

- 4.6.1 Investments in and disposals of subsidiaries, joint ventures and associated companies (including spin-outs companies) shall be approved by the Board of Governors. The Board of Governors may formally delegate this responsibility to the Senior Leadership Team but must ensure compliance with Element 5 of the CUC Code of HE Governance. Where this responsibility is delegated, the Senior Leadership Team shall provide regular updates to the Board of Governors on such activities and their progress.
- 4.6.2 All University appointees to the boards of such subsidiaries, joint ventures and associated companies shall be approved by the Board of Governors.
- 4.6.3 For each company which the University is a majority shareholder, the board of directors shall submit an annual report to the Board of Governors.
- 4.6.4 Contracts in respect of the above may only be made by persons acting under the authority of the Board of Governors within the parameters defined in the Scheme of Delegated Financial Authorities (as set out in Appendix A).
- 4.6.5 Separate accounting arrangements shall be established by the Chief Finance Officer for each subsidiary, joint venture or associated company, such that all transactions with the University are transparent and authorised in accordance with the Scheme of Delegated Financial Authorities.
- 4.6.6 Funds from public sources shall not be used to subsidise the operation of subsidiary or associated companies.
- 4.6.7 Any new aspect of business, other than teaching and research activities, requiring an investment up to £100,000 in buildings, resources or staff time should be presented for approval to the Senior Leadership Team. Any investments over £100,000 must be approved by the Board of Governors.

5 Expenditure and Creditors

5.1 Ordering and Payment of Goods and Services

- 5.1.1 Orders shall only be placed in accordance with the University Procurement Policy, unless the Head of Procurement & Purchasing has granted specific dispensation.
- 5.1.2 No officer or employee of the University shall requisition work to be undertaken or goods to be supplied which are outside of their authority as defined by the Schedule of Financial Delegated Authorities.
- 5.1.3 No officer or employee of the University shall requisition work to be undertaken or goods to be supplied which cannot be funded from within the relevant allocated budget.
- 5.1.4 Officers and employees shall not make use of official orders or University funds to obtain goods and services for private purposes.
- 5.1.5 Payment of suppliers is controlled by the Chief Finance Officer and in accordance with Finance Department policies and procedures.

5.2 Non-Pay Revenue Expenditure

- 5.2.1 Heads of Professional Service/College are responsible for containing expenditure within the allocated budget. In exercising this responsibility they have discretion to delegate to other members of staff within the budget unit. Delegated authority should not exceed the levels specified in the Scheme of Delegated Financial Authorities.
- 5.2.2 Where it is anticipated that the budget allocated to the Head of College/Professional Service may be overspent or the agreed amount of any income may not be reached by more than 5% of budget, it is the duty of the Head of College/Professional Service to inform the Chief Finance Officer immediately.
- 5.2.3 Unspent revenue budgets may not be carried forward from one accounting period to the next unless specifically approved by the Chief Finance Officer.
- 5.2.4 The entering in to leasing agreements and any other continuing liability (exceeding one year) should follow the rules set out under Section 3.4 (Contracts) and the Scheme of Delegated Financial Authorities within these Financial Regulations.
- 5.2.5 Any rental or leasing contracts for land or buildings that exceed three years in length should be approved by the Board of Governors.

5.3 Capital Expenditure

- 5.3.1 The University shall not commit to buying, developing or constructing any land or buildings without the approval of Board of Governors.

- 5.3.2 Capital expenditure proposals shall be approved by the Board of Governors in accordance with the University Five Year Plan and shall be evaluated using investment appraisal techniques.
- 5.3.3 Capital contracts shall be subject to competitive tendering procedures as required by the University Procurement Policy and comply with the relevant EU Procurement directives and any provisions required by capital grant donors.
- 5.3.4 The Director of Estates is responsible for the management and monitoring of all fixed asset developments together with the on-going maintenance of fixed assets. All alterations and extensions to University buildings shall be controlled by Estates Department
- 5.3.5 Virements between individual capital projects and between capital and revenue budgets shall be approved as set out in the Scheme of Delegated Financial Authorities.
- 5.3.6 Post-completion appraisals shall be provided by the Director of Estates to the Board of Governors as soon as practicable after completion for all projects of more than £2m.

5.4 Appointment and Payments to Employees

- 5.4.1 Employees, including members of the Senior Leadership Team who are appointed by the Board of Governors, may only be appointed in accordance with the procedures established by the Director of Human Resources.
- 5.4.2 The payment of salaries and wages and other emoluments shall be made by the Director of Human Resources or under arrangements approved and controlled by them.
- 5.4.3 All payments to employees shall be processed by the Human Resources Department.
- 5.4.4 The Director of Human Resources is responsible for all payroll deduction payments and for informing the appropriate authorities of such payments.
- 5.4.5 All expense claims shall be submitted in accordance with the appropriate University Expenses Policy. Where an officer or employee has been issued with a University Expense card this must be operated in full accordance with the Expense Card Policy.
- 5.4.6 Severance payments shall only be made in accordance with relevant legislation and under a scheme or a proposal approved by the Senior Leadership Team under the oversight of the Remuneration Committee. All such payments shall be approved in accordance with the Scheme of Delegated Financial Authority.
- 5.4.7 The Board of Governors is responsible for undertaking the role of employer in relation to appropriate pension arrangements for employee. The Director of Human Resources is responsible for day-to-day superannuation matters including the payment of contributions to various authorised superannuation schemes, administering eligibility and preparing the annual return to various superannuation schemes.
- 5.4.8 The Director of Human Resources is responsible for the Statement of Policy on the Local Government Pension Scheme.
- 5.4.9 All matters regarding pension scheme accounting and pension scheme valuation are the responsibility of the Chief Finance Officer.

6 Assets

6.1 Physical Assets

- 6.1.1 In this section the term 'physical assets' includes all capitalised fixed assets, inventories and stock.
- 6.1.2 Heads of College/Professional Service are responsible for ensuring the proper security of all physical assets under their control.
- 6.1.3 No University physical assets shall be subject to personal use without proper authority having been obtained from the Head of College/Professional Service.
- 6.1.4 It shall be the responsibility of the Chief Finance Officer to maintain a register of all capitalised fixed assets owned by the University.
- 6.1.5 The Director of Estates shall arrange for the safe custody of all title deeds.
- 6.1.6 Fixed asset and inventory item disposals, whether sold or destroyed, must be treated in accordance with the University's Procedure for the Custody and Recording of Fixed Assets.
- 6.1.7 Disposal of land and buildings must only take place with the prior authorisation of the Board of Governors.
- 6.1.8 Lessees and/or other occupiers of University land and/or buildings shall not be allowed to take possession until the lease or agreement, in a form approved by the Director of Estates, has been signed.
- 6.1.9 All vehicles purchased by the University shall be notified to the Director of Estates who shall retain all registration and MOT documents.
- 6.1.10 The licensing of all vehicles shall be undertaken by the Director of Estates.

6.2 Intellectual Assets

- 6.2.1 Officers and employees are responsible for ensuring that the Intellectual Property Rights of the University are protected and may only be disposed of or exploited in accordance with the University's Intellectual Property Rights Policy.
- 6.2.2 When members of staff make an invention which, in their opinion, it is desirable to protect by a patent, they shall inform their Head of School who shall inform the Director of Research & Enterprise.

6.3 Insurance

- 6.3.1 The portfolio of insurances will be reviewed and approved by the Chief Finance Officer on an annual basis.
- 6.3.2 The Chief Finance Officer shall be responsible for effecting insurance cover.

- 6.3.3 The Chief Finance Officer shall prepare an annual report for the Board of Governors setting out insurable risks and levels of cover.
- 6.3.4 Heads of College/Professional Service shall be responsible for notifying the Chief Finance Officer of any changes to insurable risk.
- 6.3.5 Heads of College/Professional Service shall notify the Chief Finance Officer immediately of any loss, liability of damage, which may lead to a claim against or on behalf of the University.

Area	Action	Specific Delegated Action	Delegated to	Financial Limits (where applicable)
Executing University Contracts	For the purchase of goods and services in relation to the ordinary activities within a College or Professional Service area	To execute a contract	Director of Service or SLT Lead	Up to £100,000 over the life of the contract
			Director of Service or SLT Lead, with advice taken from the Head of Purchasing and Procurement	Between £100,000 and £200,000 over the life of the contract
			SLT Lead and DVC ⁴ , with advice taken from the Head of Purchasing and Procurement ³	Between £200,000 and £1 million over the life of the contract
			DVC ⁴ and Vice Chancellor, with advice taken from the Head of Purchasing and Procurement	Above £1 million over the life of the contract
	For the formation and operation of subsidiary companies, associates, joint ventures, spin-outs and any other strategic partnership	To execute a contract	Vice Chancellor	N/A
To enter in to any form of financial instrument including borrowings and interest rate agreements.	To execute a contract	Vice Chancellor and DVC, Finance and Infrastructure (unless Governor signature specifically requested by other party)	N/A	
Purchasing and Procurement	To approve the purchase of goods/services	To authorise a purchase requisition	Staff with formal delegated authority within the College/Professional Service ¹	Up to £50,000
			Director of Service or SLT Lead	Between £50,000 and £200,000
			SLT Lead and DVC ⁴	Between £200,000 and £1 million
			DVC ⁴ and Vice Chancellor	Above £1 million
	To approve a 'one-off' payment not related to the purchase of goods/services (e.g. payment to a partner on a research project, employee season ticket loan payment).	To approve a 'one-off' payment request	Staff with formal delegated authority within the College/Professional Service ¹	Up to £50,000
			Director of Service or SMT Lead	Between £50,000 and £200,000
			SLT Lead and DVC ⁴	Between £200,000 and £1 million
			DVC ⁴ and Vice Chancellor	Above £1 million

Area	Action	Specific Delegated Action	Delegated to	Financial Limits (where applicable)
Banking and Payments	Purchase Ledger Payment Run	Authorise remittance proposal to produce BACS payment file	Finance Manager Grade 9 or above	N/A
		Authorise BACS payment report	Chief Finance Officer	N/A
	Online Banking Payments	To authorise online banking payments	All members of the Senior Leadership Team	Up to £10 million
			Finance Managers Grade 9	Up to £250,000 for payments to third parties and, Up to £5 million for transfers between University bank accounts (including money market funds in the University's name)
			Finance Managers Grade 8	Up to £50,000
	New bank accounts	To open a new bank account	Both the Chief Finance Officer and DVC, Finance and Infrastructure	N/A
	Set-up/amendments to the bank mandate	To approve set-up and changes to the bank mandate	Both the Chair of the Board of Governors and the Vice Chancellor	N/A
	Bank Mandate	To act as a Panel A signatory on the University bank mandate	All members of the Senior Leadership Team	N/A
			To act as a Panel B signatory on the University bank mandate	Finance Manager Grade 9 or above
	Cheque payments (two signatures required)	To sign cheque payments	At least one Panel A signatory	Unlimited
			Two panel B signatories	Up to £50,000
Sales Ledger	Sales Ledger Refunds	To approve refunds for payment	Finance Manager Grade 7	Up to £1,000
			Finance Manager Grade 8	Up to £10,000
			Finance Manager Grade 9	Up to £25,000
			Chief Finance Officer	Up to £100,000
			DVC, Finance and Infrastructure	Over £100,000
	Sales Ledger Credit Notes	To approve credit note requests	Finance Manager Grade 7	Up to £1,000
			Finance Manager Grade 8	Up to £10,000
			Finance Manager Grade 9	Up to £25,000
			Chief Finance Officer	Up to £100,000

Area	Action	Specific Delegated Action	Delegated to	Financial Limits (where applicable)
			DVC, Finance and Infrastructure	Over £100,000
	Pass debt to legal advisors	To approve legal action against debtor	Finance Manager Grade 9	Up to £25,000
			Chief Finance Officer	Over £25,000
	Write off bad debt	To approve debt write off	Finance Manager Grade 9	Up to £10,000
			Chief Finance Officer	Up to £100,000
			DVC, Finance and Infrastructure	Up to £500,000
			Vice Chancellor	Over £500,000
Staff Costs	Approval of payroll	To approve payrolls prior to payment	Chief Finance Officer	N/A
	Severance Payments	To approve severance schemes or departmental reorganisations involving severance payments	Senior Leadership Team	N/A
		To approve individual severance payments where: a) employee's salary is less than £100,000 per annum, and b) employee is not a member of the Senior Leadership Team	Director of Human Resources	Payments up to £50,000 (before payroll deduction but including pension strain costs)
			Both the DVC, People Services and Operations and DVC, Finance and Infrastructure	Payments over £50,000 but less than £100,000 (before payroll deduction but including pension strain costs)
			Board of Governors Remuneration Committee	Payments £100,000 and over (before payroll deduction but including pension strain costs)
		To approve individual severance payments where: a) employee's salary is more than £100,000 per annum, or b) employee is a member of the Senior Leadership Team	Board of Governors Remuneration Committee	Any value
Budget Virement	Within approved capital projects	To approve the virement of funds between capital projects	Both the DVC, Finance and Resources and the Chief Finance Officer	Up to £500,000 per capital project
			Board of Governors	Over £500,000 per capital project
	Virements between revenue and capital budgets on Estates projects	To approve the virement of funds from revenue to capital or vice versa	Both the DVC, Finance and Infrastructure and the Chief Finance Officer	Up to £500,000 per capital project

Area	Action	Specific Delegated Action	Delegated to	Financial Limits (where applicable)
			Board of Governors	Over £500,000 per capital project
	Virements between revenue and capital budgets on ICT projects	To approve the virement of funds from revenue to capital or vice versa	Both the DVC, People Services and Operations and the Chief Finance Officer	Up to £500,000 per financial year
			Senior Leadership Team	Over £500,000

¹ SLT Leads are responsible for creating an appropriate scheme of delegation within their areas based on operational need, local structures and risk. This must be discussed and agreed with the Finance Department and approved by the Chief Financial Officer.

² The approval of the purchase requisition by the Procurement Team confirms that the appropriate procurement processes have been followed in respect of the purchase. It does not approve the business need for the purchase.

³ Where the DVC is also the SLT lead, then the contract shall also be executed by the Chief Finance Officer

⁴ Where DVC is stated, this should be the most appropriate DVC for the contract or transaction



Waiver of Financial Regulations Form

To: Chief Finance Officer

From:

Financial Regulations

I request your authority to waive section(s) of the University Financial Regulations for the following reason(s)

.....
.....
.....
.....
.....
.....
.....

(please attach further information and documentation, if required)

.....SignedDate

.....NamePosition

Documentation reviewed and agreed:

..... Chief Finance Officer

.....Date

Waiver of Financial Regulations agreed:

.....DVC, Finance and Infrastructure

.....Date



SCHEDULE OF SUPPORTING POLICIES

The table below sets out the Finance owned policy documents that are referred to and support the Financial Regulations. All policies will be updated as set out in the table, or when there is a separate requirement to do so (for example, changes in legislation).

FINANCE OWNED POLICIES	METHOD OF APPROVAL	MINIMUM REVIEW PERIOD
Treasury Management Policy	Board of Governors	Annually
Procurement Policy	Senior Leadership Team	Annually
Anti-Money Laundering Policy	Senior Leadership Team	Every 2 years
Accepting Gifts and Hospitality Policy	Senior Leadership Team	Every 2 years
Refund Policy	Chief Finance Officer	Every 2 years
Finance Document Retention Policy	Chief Finance Officer	Every 2 years

The table below sets out the other non-Finance owned policy documents that are referred to in the Financial Regulations. These documents will be reviewed by Finance on a yearly basis to ensure they are still relevant and appropriate to the Financial Regulations.

NON-FINANCE OWNED POLICIES	OWNER
Disciplinary Policy and Procedure	Director of Human Resources
Risk Management Policy	Director of Planning and Business Intelligence
Public Interests Disclosure (Whistle Blowing) Policy	University Registrar
Expenses Policies (UK, Overseas, Executive, Expense Card)	Director of Human Resources
Statement of Policy on the Local Government Pension Scheme (the 'Statement of Discretions')	Director of Human Resources
Intellectual Property Rights Policy	Director of Research and Enterprise

All of the above policies are available on the University portal.