



## Financial Policy

Please read in conjunction the Parents and Carers Forum Swindon policies on Volunteer Payment Policy & Agreement, Conflict of Interest as well as the DFE Grant terms and conditions.

### **Aim:**

To be structured through key policies, which enable good governance and in turn helps to protect the Steering Group (SG), our wider forum membership, and any public funds we are granted.

### **Our financial policy includes:**

1. Management of financial records
2. Banking arrangements
3. Receipts
4. Cheque payments
5. Petty cash payments
6. Expenses, payments and honorariums/retrospective payments
7. Payment documentation
8. Staff
9. Events
10. Best value
11. Fraud

### **1. Management of financial records**

- 1.1** PCF Swindon is currently **an unincorporated** group and is currently not a charity or CIC organisation. In accordance with the Department of Education (DfE) grant conditions, PCF Swindon have a Grant Holder. For the financial year 2017/18 this will be Somerset Parent Carer Forum (Somerset PCF) and this agreement starts from April 2017.

- The current financial agreement with our Grant holder will be 10% or £1,500 of the CAF initial Grant which is currently £15,000. This will be billed to PCF Swindon quarterly by invoice.

This will be an ongoing relationship until either party wishes to withdraw from this formal agreement. The Finance Lead from PCF Swindon will liaise with the Grant holder to ensure that records are up to date and produce a bank statement on request from the PCF Swindon.

The Finance Lead for PCF Swindon will present regular reports to the SG so that the Forum understands: -

- How much of the grant has been spent;
- Has been committed to spend; and
- How much is left in our bank account or uncommitted grant funds left to spend.

The Finance Lead will be accountable to the forum and may be subjected to random checks from any SG member.

**1.2** It is the SG's responsibility to ensure that they understand the format for application, monitoring and reporting on the grant, and also the conditions of the Grant. The completion of the grant application will be the responsibility of the (Acting) Chairperson and Finance Lead whilst the monitoring will be the wider SG.

**1.3 Financial records must be kept to demonstrate:**

That the Financial lead is in control and is ensuring that the Forum operates and manages their finances, expenses and remuneration in line with the Forum's Financial policy, and the Volunteer Payment and Agreement policy.

**1.4** That PCF Swindon are using the grant in line with the signed Conditions of Grant and the terms contained in the guidance. Also, that we co-operate fully with requests from the Contact a Family(CaF) Parent Participation team for information, to discuss concerns, or requests for meetings to discuss progress or challenges.

**1.5** PCF Swindon have a duty to report any incidents of fraud or deception within the forum, or any concerns about possible fraud, to CAF grants team at 209-211 City Road, London EC1V 1JN or at [pcfgrants@cafamily.org.uk](mailto:pcfgrants@cafamily.org.uk). We can also report fraud to Action Fraud at <http://www.actionfraud.police.uk/> or call 0300 123 2040.

**1.6** By accepting the parent carer participation grant we are legally obliged to spend the grant in accordance with the Conditions of Grant.

**1.7** In order to be able to demonstrate how the grant has been spent during any financial year we need to keep a record or diary of the forum's activity (or outputs) to refer to at the end of the year for grant monitoring purposes. This will include, but not exclusive too, events, meetings, consultations, workshops, training, and attendance at regional network meetings as well as details of strategic meetings or works groups attended. This will be done in such a way that any nominated person should be able to fulfil this duty.

**1.8** The Financial Lead and the Grant holder will keep all invoices, receipts, expenses and remuneration claim forms, and other proofs of expenditure securely in one place and will add to these through the year.

- 1.9 The proofs of expenditure (POE) gathered during the course of the year will along with the evidence of work completed (outputs and outcomes), make the monitoring process easier. It will also help us to identify any areas of spend where projected, and actual spend, differ.
- 1.10 If the SG are likely to change any category of spend by more than £399 the (Acting) Chairperson or designated Finance Lead will need to complete a grant variation form. They will complete a variation and submit this to the Contact a Family (CAF) Parent Carer Participation Advisor SW to complete a grant variation form. The Variation must be agreed with the SG.
- 1.11 As we are not a charity or constituted group we currently do not have any duty to publish any financial reports but should this change the PCF Swindon will comply with the respective regulatory requirements.
- 1.12 At the start of each financial year, the SG will mutually agree and approve a budgeted income and expenditure account for the following financial year to meet its agreed business objectives in accordance to CAF and DfE guidelines.
- 1.13 If the forum folds, or collapses, we will follow the CaF guidelines set out in the Grant Holders responsibilities.
- 1.14 A list of all assets, within the Forum, will be held within the SG centrally with a list of assets, assigned to, purchase price and depreciation value. The **PCF Swindon Finance Lead** will keep the records and pass to the Grant holder.

## 2. Banking Arrangements

- 2.1 The Grant holder will hold our money in their bank account but they have no rights to our money. The money that PCF Swindon receives can be from a variety of sources. However PCF Swindon must follow the Grant Holder policy and the Grant Holder can guide us with their knowledge of accounting controls and procedures.
- 2.2 PCF Swindon will draw down and access funds.
- 2.3 The Grant holder Financial Officer is authorised to pay invoices, sign cheques or transfer funds on behalf of PCF Swindon only with the forum's prior authorisation in writing, or via an authorised expense or remuneration form.
- 2.4 The authorisation process has been agreed as follows:
  - 2 signatures for amounts £100 or less including the person signing
  - 3 signatures for amounts greater than £100 but less than £500
  - 4 or more for anything over a spend of £500, plus accompanying email from the central email account to include all SG members and Finance

Lead

### 3. Receipt of Funding

- 3.1** All cash/money received by PCF Swindon must be declared and made known to the PCF Swindon SG, it is to be recorded promptly in Finance Lead spreadsheet for banking without delay (within 10 working days). The PCF Swindon, may at times, receive small grants from sources other than the DfE and will follow any specific requirements on spend and monitoring.
- 3.2** Accurate records will be maintained for back up and all monies will be in the Grant holders bank statements and be available for inspection.

### 4. Payments

- 4.1** Spending must be within the budgeted allowance and not beyond. PCF Swindon SG are accountable for all spend. The Grant may need to be varied at times and will need to follow the correct procedure as stated in Section 1 of this policy.
- 4.2** Cheques raised and processed by the Grant holder will be signed by two Grant holder representatives. No PCF SG members or any other members are appointed as signatory's on cheques. This is done by the Grant holder.
- 4.3** Cheques must NOT be signed by the person to whom it is payable.
- 4.4** Blank cheques will NOT be pre-signed. The relevant payee's name will always be inserted on the cheque before signature and cheque stub must always be properly completed.
- 4.5** No cheques will be signed without original documentation
- 4.6** Where possible, all payments will be directly transferred into nominated bank account/s

### 5. Parent Carer Expenses

- 5.1** Expenses are **out of pocket** expenses incurred when on forum activity or Parent carer expenses are different to parent carer remuneration. When representing the forum in any participation or strategic meetings. Or where we can demonstrate we are reaching participants or to increase membership and can include reasonable travel expenses, childcare, meals, stationery, printer cartridges, postage, reimbursement of telephone calls or sundries for events. (Please see Volunteer Payment Policy & Agreement).
- 5.2** Parent carers are able to claim expenses for raffle /prizes/gifts bought as a way of participating, increasing membership or rewarding parents. However raffles, prizes and gifts cannot be in the form of cash or cheques and the PCF Swindon cannot make money from them by selling them for money for use as individuals or as a Forum

## **Alcohol cannot be bought.**

- 5.3** Expenses can be for other items as long as justified. The PCF Swindon Finance Lead and the Grant Holder can and should challenge expenses. Any PCF Swindon member will be able to explain any expenses. All claims for expenses will be submitted on an Expenses claim form with the signature of a SG member approving the claim in line with the authorisation process (see 2.3). Proof of Expenses (POE's) should be clear with purchases highlighted clearly and a photocopy of a claim form and receipts will need to be LEGIBLE.
- 5.4** Receipts will need to be attached for everything other than mileage. These must be labelled and cross referenced. The expense claim sheets will ask for the Grant Header. The Finance Lead can help you fill this column out or please leave blank for the Finance Lead to fill in.
- 5.5** If the claimant has lost a receipt it is up to the signing officer to make the decision to allow this. When assessing the grant monitoring, CAF will not approve payments with lost receipts which total more than £10 unless there are exceptional circumstances, or additional proof of expenditure is supplied.
- 5.6** If a member has left the group or is taking a break, expenses can be retrospectively put through, providing that it is in the same financial year. However bookings, training or goods bought going forward if the member is not a full member may not be authorised unless agreed by the group before being purchased.
- 5.7** Goods and services cannot be purchased/secured this financial year and then paid for in the next year. It has to be within the same financial year. The accounting period closes 31 March each year at midnight.
- 5.8** No expenses should be paid out in advance, or without appropriate POE i.e. receipts for train tickets or parking tickets, NB Petrol receipts are not required.
- 5.9** Mileage should be claimed at the agreed rate, currently 45p.
- 5.10** Expenses submitted to CAF from receipt books, stubs or handwritten on pieces of paper may be rejected in the grant monitoring process and classed as under spend to be deducted from the following year's grant.

## **6. Petty cash payments**

- 6.1** Petty cash payments can be made at any time as long as there has been with prior agreement from the majority of SG.
- 6.2** A float of £50 can be made available from the Grant Holder to Swindon PCF.

## **7. Expenses, payment and honorariums/retrospective payments**

- 7.1** PCF Swindon's Finance Lead is responsible for money being up to date.
- 7.2** Honorarium claims should be accompanied by a record of what this is being paid and demonstrates the agreed activity has taken place e.g. such as time spent attending meetings – this will include submission of minutes and outcomes, through Feedback forms available on the website.
- 7.3** PCF Swindon SG members reserve the right to refuse reimbursement of any submitted claims. It should not be assumed claims will be automatically reimbursed although PAC will where possible, consider reasonable '**out of pocket**' expenses. Failure to submit the relevant evidence or get prior authorisation may result in non-payment.
- 7.4** Attendance of meetings **MUST** be evidenced by minutes and outcomes. Regular attendance to meetings on behalf of PAC is not and never intended to be a regular source of income however consistency of the individual's attendance is important for continuity and to follow up on actions.
- 7.5** **PCF Swindon members in receipt of expenses must check with Revenue and Customs (previously known as the Inland Revenue) or the relevant benefits agency to see if this affects their own situation. The PCF Swindon and the Grant holder are not, and will never be, responsible for any financial implications receiving this money may cause you**

## **8. Payment documentation**

- 8.1** Every payment made from the Grant holder's bank account must be evidenced by an original invoice or expense form. No payment will be made against a supplier's statement or final demand, only original invoices and receipts. These will be retained by the PCF Swindon Financial lead and filed. The Grant holder may wish to have copies to satisfy their own auditing processes.
- 8.2** All Financial invoices for suppliers must be submitted to the Finance Lead. The SG can liaise with suppliers for the best deal.
- 8.3** NO credit accounts must be entered into. This is **AGAINST** all rules of the DfE grant.
- 8.4** NO invoices must be agreed to be paid within a specified number or days unless this is agreed with the (Acting) Chairperson and/or Finance Lead in Swindon and the Grant holder
- 8.5** The cheque signatory should ensure it is referenced with: cheque number, date cheque drawn, amount of cheque and payee.

- 8.6** PCF Swindon does not accept liability for any financial commitment unless properly authorised. Any orders placed or undertakings given which are likely to cost the Forum in excess of £160.00 must be authorised and recorded by the SG. In exceptional circumstances, such undertakings can be made with (Acting) Chairperson's or Finance Lead's approval who will then provide full details to the next meeting of the steering group.

## **9. Staff**

- 9.1** PCF Swindon does not presently have a paid worker, but if this changes the paid worker's expenses must be authorised by 3 members of the SG. The Grant holder would formally employ the paid worker on behalf of PCF Swindon and make payment from PCF Swindon grant for salary. The Grant holder would manage employment issues but Swindon PCF would be responsible for day to day workload management and funding this position.

## **10. Events**

- 10.1** Participation should be an enjoyable experience and CAF recognise that forums need to put on a range of activities that will encourage the participation of new members and hard to reach groups. The outputs and outcomes for events should indicate how, and in what way, parent carer participation or the forum will be strengthened or enhanced through these activities. There will need to be solid outcomes relating to participation for each activity that we undertake.
- 10.2** The grant cannot be used to fund fun days, social activity, sports or leisure events **where this is the sole focus**. However, such events are acceptable in specific contexts, where the forum is being promoted e.g. for outreach, consultation, recruiting new forum members, building trust and confidence in the forum through getting to know parents and enabling parents to get to know the forum and its members; or where the forum has a stand or presence at an event at which parent carers will be present and they may attract new members to the forum. If in doubt, check with CAF Parent Carer Participation Advisor SW.

## **10 Events**

- 10.1** It is a condition of the grant that parent carer forums obtain best value for money when they are buying goods and services. PCF Swindon will obtain at least three quotations for high value goods or services. In some instances the group may decide that this is not necessary. And we will consider value from a quality perspective, as well as cost effectiveness. **The stipulated threshold amount will be £260.00**

**NB** There may be times when PCF SWINDON look to buy goods or services from a SG member, or a member of PCF Swindon, family member or close friend – in this instance the person with the interest

should not be part of any discussion or decision making around this (see Conflict of Interest policy). As a SG we will consider their skills, knowledge, experience and expertise in this area and make an objective decision which is in the best interests of the Forum. The decision should be made for the right reasons, including best value, and not be based on whether the individual would be unhappy if their services were not used.

## **11. Fraud**

11.1 The DFE participation grant utilises public money, and as such there need to be certain safeguards in place to protect against misuse of the money, or fraud. As part of the grant application and monitoring process, CAF conduct due diligence checks to minimise the risks and to protect against fraud or misuse of the grant. They also check for evidence of fraud as part of the grant monitoring process.

11.2 PCF Swindon have a duty to report any incidents of fraud or deception within the forum, or any concerns about possible fraud, to CAF grants team at 209-211 City Road, London EC1V 1JN or at [pcfgrants@cafamilly.org.uk](mailto:pcfgrants@cafamilly.org.uk). We can also report fraud to Action Fraud at <http://www.actionfraud.police.uk/> or call 0300 123 2040.

<p>This policy is to be adopted in April 2017 and if we need to make changes ahead of the annual review (October 2017) three SG members must be in agreement of the changes and a new policy must be updated to reflect this.</p>
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