

Financial Regulations

Key Details

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| **POLICY OWNER (JOB TITLE)** | Chief Finance Officer |
| **UNIT / SERVICE** | Finance |
| **CONTACT EMAIL** | hcrotty@cardiffmet.ac.uk |

Version Control

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| **VERSION** | **DATE** | **REASON FOR CHANGE** |
| 1.0 | November 2016 | Complete review of the regulations |
| 2.0 | 27 March 2018 | Second version |
| 3.0 | 11 March 2021 | Third version |
| 4.0 | 23 March 2022 | Fourth version |
| 5.0 | 27 March 2023 | Fifth version |
| 6.0 | 13 March 2024 | Sixth version |
| 6.1 | 9 August 2024 | Changes to scheme of delegation. Sections 6.7, 7.14, Annex 4 |
| 7.0 | 19 March 2025 | Seventh version |

Policy Hub

## For further information on policies:

1. You can go to the Secretariat pages on InSite at [https://outlookuwicac.sharepoint.com/sites/Secretariat](https://outlookuwicac.sharepoint.com/sites/Secretariat/);
2. You can go to the Policy Hub at [cardiffmet.ac.uk/about/policyhub](https://www.cardiffmet.ac.uk/about/policyhub); or
3. Contact [policies@cardiffmet.ac.uk](mailto:policies@cardiffmet.ac.uk).

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# Introduction

## Context

### The University is a Higher Education Corporation and registered Charity. Its structure of Governance is laid down in the Instruments of Incorporation. Only the Privy Council can amend its Instrument and Articles. The University is accountable through its Governing Body, which has ultimate responsibility for the University’s governance, management and administration.

### The Financial Management Code between the Commission for Tertiary Education and Research (MEDR) and the University sets out the terms and conditions under which funding is received. The Governing Body is responsible for ensuring that conditions of funding are met. As part of this process the University must adhere to MEDR’s Audit Code of Practice that requires it to have sound systems of financial and management control. The Financial Regulations of the University form part of this overall system of accountability and control.

### The formulation and maintenance of financial and accounting practices and standards are essential to ensure sound administration, management and control together with meeting the statutory obligations of the University.

## Purpose

### The purpose of these Regulations is to provide a single source of reference for guidance to staff on the rules and principles relating either directly or indirectly to financial issues. Separate financial procedures provide guidance of the processes in place to ensure adherence to these Regulations.

### These Regulations are required, not only to establish clearly defined practices, but also to provide protection for staff whilst carrying out their duties.

### The Regulations apply to all staff in all circumstances whether operating within the University or its Subsidiary Companies. Failure to comply with the Regulations is a disciplinary offence.

### The Regulations themselves are complex and detailed and may from time to time require interpretation and explanation. Any member of staff that has doubts about the meaning of the Regulations should consult the Chief Finance Officer to ensure the Regulations are not breached. To support the Financial Regulations there are further detailed process, policy and procedure documents. These can be found on the [Finance Website](https://outlookuwicac.sharepoint.com/sites/Finance/SitePages/Policies.aspx) and should be adhered to in all cases.

## Waivers: Only the Chief Finance Officer or nominated deputy may authorise the waiver of any of these regulations (except where otherwise stated within the regulations). Any significant waivers are to be reported to the Audit Committee of the Board of Governors.

## Communication of Regulations

### The Chief Finance Officer is responsible for ensuring that the Financial Regulations are published on the University’s website.

### It is the responsibility of designated budget holders to ensure that;

#### Their staff, including new starters, are made aware of the existence and provisions of the Financial Regulations.

#### Where necessary, ensure that staff are trained to carry out their duties.

#### Ensure that staff are aware that non-compliance with the Financial Regulations may result in disciplinary proceedings.

#### Remind staff that the Financial Regulations have equal bearing whether staff are working remotely or on campus.

# ROLES AND RESPONSIBILITIES

## Different levels of management in the University have varying roles in respect of these regulatory requirements. The Board of Governors is responsible for the effective and efficient use of resources, the solvency of the University and for protecting its assets. The Board is also responsible for approving the Annual Budget, the Annual Financial Statements and the Corporate Strategic Plan.

## The Finance Committee: The Board of Governors has established a Finance Committee. That Committee has delegated authority from the Board in relation to financial matters. The Board cannot delegate the approval of the Annual Budget or its principal responsibility for the solvency of the University. A more detailed breakdown of the Committee’s financial responsibilities is provided in [Appendix A](#_APPENDIX_‘A’_1) of this section.

## The Accounting Officer: The President & Vice Chancellor is the designated Accounting Officer for the University and is responsible to the Board for preparing annual budgets and financial statements and for the management of resources within those budgets. Except when provided to the contrary, the President & Vice Chancellor may delegate functions in line with the Scheme of Delegation which is approved by the Board of Governors, but may not delegate ultimate responsibility and accountability, to other staff.

## Budget Holders: To assist in the discharging of their responsibilities the President & Vice Chancellor, through the Chief Finance Officer, designates members of staff as budget holders. Budget holders are responsible for the control and monitoring of expenditure within the budgets allocated to them and for the generation of income where appropriate. Budget holders are notified annually of their budget responsibilities and are required to accept them. Budget holders are responsible to the President & Vice Chancellor for ensuring that the action that they take is in accordance with the Financial Regulations, consequently all budget holders and those who act for them must ensure they are fully conversant with those sections of the regulations appertaining to their work.

### [Annex 1](#_APPENDIX_1_-) provides a checklist of references within the regulations appertaining specifically to budget holders.

### Budget holders will be consulted annually on the establishment of their budget and once issued will be required to manage within the amounts provided. Budget holders have no authority to exceed the limitations of their budget and are required to draw to the attention of the Chief Finance Officer any issues or concerns with regard to the delivery of budgets at the earliest opportunity. Budget holders may delegate some aspects of control to members of their staff but cannot delegate the overall responsibility for their budget.

## Audit Committee / Internal Audit: The University is required by the Financial Management Code and by MEDR’s audit code of practice to appoint an [Audit Committee](#_AUDIT_COMMITTEE). The Committee is independent, advisory and reports to the Governing Body. It has the right of access to obtain all the information it considers necessary and to consult directly with internal and external auditors. The Committee is responsible for identifying and approving appropriate performance measures for internal and external audit and for monitoring their performance. It must also satisfy itself that satisfactory arrangements are in place to promote economy, efficiency and effectiveness.

### Internal Auditors will use these Financial Regulations as a base for their testing of the procedures carried out within the University. Their reports will be brought to the attention of the Audit Committee.

### A more detailed breakdown of the Committee’s responsibility is provided in [Appendix ‘A’](#_APPENDIX_‘A’) to this section.

## Reporting of Fraud or Material Loss or Error: All staff have a responsibility to bring to the attention of their line manager or more senior management any issues of fraud, theft, material loss or error that they suspect or are aware of in accordance with the [University’s published policies](https://www.cardiffmet.ac.uk/about/policyhub/Pages/default.aspx)

## Statutory Duties and Governance

### Bribery Act 2010

* Staff must be compliant with the requirements of the act and should familiarise themselves with the University’s Anti-Bribery policy which can be found on the [Policy Hub](https://www.cardiffmet.ac.uk/about/policyhub/Pages/default.aspx)

### Risk Management: As required under the University’s Risk Policy all staff are responsible for assessing and managing risk. Staff should ensure that.

* Risk is managed at an acceptable level for the activities undertaken
* Only accept risks within their level of authority and not breach any University policy or procedure.
* Seek advice on procurement risks prior to engaging with suppliers or bidders
* The University’s Risk Policy can be viewed [here](https://www.cardiffmet.ac.uk/about/policyhub/Pages/default.aspx).

### Whistleblowing: Any member of staff who has reasonable grounds for believing there is serious malpractice (including financial) within the institution should raise their concerns using the specified procedure. The University’s [Whistleblowing Policy](https://www.cardiffmet.ac.uk/about/policyhub/Pages/default.aspx) details the procedure.

### Modern Slavery Act 2015: The University’s [Modern Slavery Statement](https://www.cardiffmet.ac.uk/Documents/modern-slavery-statement-2223.pdf) was prepared in accordance with the Modern Slavery Act 2015. It details the relevant policies and procedures to ensure staff act ethically and with integrity in all relationships and use all reasonable endeavours to act directly and to influence others to ensure slavery and human trafficking is not taking place. A link to the statement can be found at the bottom of the Cardiff Met website homepage.

### General Data Protection Regulations 2018 and Data Protection Act 2018: All staff are responsible for ensuring that personal data and sensitive data is handled in compliance with data protection regulations Staff should familiarise themselves with the University’s data protection obligations and internal procedures which can be found [here.](https://www.cardiffmet.ac.uk/about/structureandgovernance/Pages/Data-Protection.aspx)

### HMRC Compliance: The University and its employees must comply with all HMRC requirements in respect of; VAT, Corporation tax, benefits in kind (P11D), IR35, and employment taxes.

### Value for money: Heads of Department must ensure that the University achieves value for money in all core and supporting activities.

### Criminal Finance Act 2017: It is a criminal offence to assist a third party with tax evasion in both the UK and elsewhere in the world. The Act means that the University will risk being charged with a criminal offence such as facilitating criminal tax evasion if a University member of staff, agent or subcontractor is found guilty of assisting a third party to evade tax in the course of their duties. The University will be liable to unlimited fines, damage to reputation and loss of rights to bid for government funds and contracts. The University’s Criminal Finance Act Statement can be viewed [here](https://www.cardiffmet.ac.uk/about/Pages/Finance.aspx).

#### The University has a zero tolerance to tax evasion and staff are expected to support this approach in all transactions on the University’s behalf.

### Overseas Activity: The University has numerous duties under the Proceeds of Crime Act 2002, Money Laundering Regulations 2007 and the Bribery Act 2010. Staff are required to make themselves aware of these duties and must assist the University in compliance with them. Staff with financial responsibilities must ensure they are familiar with the relevant policies. Regulation 8 provides further guidance on Gifts, Hospitality and Inducements.

* The combined activities of the University in a country may inadvertently lead to the creation of a permanent establishment and it’s resulting tax liabilities. No one overseas activity should be established in isolation and without seeking advice from the Finance Department. This includes the establishment of online courses where students may reside outside of the UK.

#### No School or Department may enter into any arrangement for activity outside the UK unless the Chief Finance Officer gives prior written consent, where this activity involves either or both setting up an establishment, employing individuals overseas or repeated engagement with an individual where the University provides the majority of the individual or of a sole trader company’s income. In giving such consent, the Chief Finance Officer may seek advice from external legal and tax professionals. Advice will be secured at the expense of the Department seeking to enter the arrangement. The consent of the Chief Finance Officer does not obviate the need to obtain approval from other University bodies.

## ANNEX ‘A’

### FINANCE COMMITTEE: The Finance Committee undertakes monitoring of the University’s financial position and financial control systems. The Committee will examine budgets, forecasts, and accounts and recommend their approval to the Board of Governors. It will consider any other matters relevant to the financial duties of the Board of Governors and make recommendations accordingly. The Committee will also ensure that the Board of Governors has adequate information to enable it to discharge its financial responsibilities. Specific financial responsibilities are:

* Ensuring that the University maintains proper accounts and related records.
* Ensuring that systems are in place for all employees and creditors to be paid by their due date and that such systems are effective.
* Ensuring that all income received is correctly accounted for and that income receivable is collected promptly.
* Receiving and commenting on the University’s revenue and capital budgets.
* Ensuring that the requirements of the Financial Management Code with MEDR are complied with (including the requirement to maintain financial solvency).
* Overseeing:
  + Cash management and borrowing
  + Banking arrangements
  + Insurance arrangements
  + Investment arrangements (including oversight of Investment Board)
  + Procurement arrangements
  + Financial Regulations (including financial authority thresholds)
  + Financial Strategy
  + Pension provision arrangements
  + Policy Review
  + Draft Financial Statements

### AUDIT COMMITTEE: DUTIES (as described in MEDR’s Audit Code of Practice)

* To consider and advise on the appointment of the external auditor, the audit fee, the provision of any non-audit services by the external auditor and any questions of resignation or dismissal of the external auditor.
* To discuss, if necessary, with the external auditor before the audit commences the nature and scope of the audit.
* To discuss problems and reservations arising from the interim and final audits, and any matters the auditor may wish to discuss (in the absence of management where necessary).
* To consider and advise on the appointment of the internal audit service.
* To review the internal audit plan, consider major findings of internal audit investigations and management’s response, and promote co-ordination between the internal and external auditors.
* To keep under review the effectiveness of internal control systems, and in particular review the external auditor’s annual report and management responses.
* To monitor and review the effectiveness of Risk Management Systems and Corporate Governance.
* To oversee effective monitoring of the Whistleblowing Process.
* To satisfy itself that satisfactory arrangements are in place to promote economy, efficiency and effectiveness.
* To receive any relevant reports from the Audit Wales or MEDR and other reports as appropriate.
* To monitor the performance and effectiveness of external and internal audit.
* To consider and endorse the draft annual financial statements for proposed approval by the Board of Governors.
* To report as appropriate to the Board of Governors.

# THE BUDGET

* 1. The following provides an outline of the University’s budgetary process and requirements.
  2. Preparation
     1. The President & Vice Chancellor is responsible for the preparation of the Annual Budget. This will be presented to the Finance Committee of the Board of Governors for examination prior to the presentation by the President & Vice Chancellor to the Board in a form approved by the Board and in accordance with the time scale determined by them.
  3. Approval of the Budget
     1. The Board cannot delegate approval of the budget. The Board will be asked to determine, by resolution, the approval of the Budget. The resolution shall specify the annual surplus or deficit, the capital budget for the year, together with the methods of funding to be used, the projected cash flow and the effect on the liquidity of the University.
  4. Authorisation
     1. Once the Board has approved the annual budget the President & Vice Chancellor is authorised to incur expenditure in accordance with the Financial Regulations within the Budget parameters ([see 3.5](#_Budget_Changes_and)).
  5. Monitoring
     1. The President & Vice Chancellor is responsible for presenting to the Board of Governors, through the Finance Committee, a regular report on the financial status of the University and its budget in such a form as may be determined by that Committee from time to time.
     2. Designated budget holders are responsible to the President & Vice Chancellor for the control and monitoring of expenditure within the budgets allocated to them and ensuring compliance with the Financial Regulations. The Chief Finance Officer will ensure that budget holders have regular access to information from the central financial systems appropriate to their needs as budget holders. This must be reviewed by the budget holder and action taken where necessary.
     3. The Chief Finance Officer will compile regular and timely reports for the President & Vice Chancellor from the Central Accounting system. Budget holders are required, therefore, to follow the coding structure laid down by the Finance Department and to assist the Chief Finance Officer in interpreting the financial status of their budget.
     4. To ensure that full information is available to the Chief Finance Officer, income and expenditure must be separately coded. The netting of income and expenditure under one code will only be permitted by special dispensation from the Chief Finance Officer.
  6. Budget Changes and Re-forecasting
     1. The Finance Committee shall be advised of any changes to the principle heads of income or expenditure through regular reporting.
        1. The President & Vice Chancellor shall be empowered to exercise virements within and between the principle heads subject to 3.5.2.
     2. Variations that have a significant impact on the estimated surplus or deficit for the year or on the level of cash reserves must be reported to the Finance Committee and approval/endorsement for the variations obtained from the Board of Governors.
     3. Capital spending will be separately monitored and all significant investment that cannot be accommodated within the approved budget will be presented for separate approval.
  7. Audit
     1. Any individual or section of the University may be subject to internal audit at any time. The internal auditor has authority to visit all centres, to interview staff and to have access to all records of the University. The internal auditor will report to the President & Vice Chancellor and the Audit Committee. The internal auditor will collaborate and co-operate with the external auditors to ensure that there is no unnecessary duplication of audit effort.
     2. The primary objective of internal audit is to review, appraise and report upon:
        1. The soundness, adequacy, and application of internal controls.
        2. The extent of and compliance with established policies and procedures.
        3. The extent to which resources are accounted for and safeguarded from losses of all kind arising from fraud, misappropriation and other offences or waste, extravagant and inefficient administration, poor value for money or other causes.
        4. The suitability and reliability of financial and other management data.
        5. The soundness, adequacy, and application of Risk Management.
     3. In addition to the work of internal audit there will be, from time to time, specific audits covering, but not limited to, such matters as research grants and contracts, Income Tax, Value Added Tax and European Funding.
     4. Auditors are entitled to receive such explanations, as are necessary concerning matters under review. Prime Documents i.e. those forming part of the Audit trail or containing the original authorising signatures, must be retained for audit purposes for at least seven years. Prime documents relating to European funding projects must be retained until the project has completed and received its final audit. Depending on the project, the timeframe may be longer than 7 years.
     5. If any budget holder becomes aware of discrepancies or deviation from normal practice, the matter must immediately be drawn to the attention of the Chief Finance Officer.

1. BANKING & CASH MANAGEMENT
   1. Policies relating to this area are contained within the [Policy Hub](https://www.cardiffmet.ac.uk/about/policyhub/Pages/default.aspx)
   2. Banking
      1. Banking facilities will be arranged only by the Chief Finance Officer on behalf of the University. All funds due to the University shall be deposited in the accounts maintained with these bankers. No other account or funds associated with or maintained for the purposes of the University shall be established.
      2. The President & Vice Chancellor approves the roles undertaking bank signatory and bank authorisation tasks. See annex 6
      3. Direct debit arrangements may only be established by authorised signatories within the Finance Department. No other member of staff may set up direct debit charges against the University’s bank accounts and disciplinary action may be taken against staff contravening this requirement
   3. Investments
      1. The Finance Committee will determine an Investment Policy Framework for the University, and the Chief Finance Officer will control and administer all investments made on behalf of the University through this policy.
   4. Borrowings
      1. Short-term borrowing for temporary revenue purposes shall be authorised only by the President & Vice Chancellor within limits determined by MEDR’s Financial Management Code and the University’s Financial Strategy. The President & Vice Chancellor shall report such short-term borrowing to the Finance Committee at the earliest opportunity.
      2. Long-term borrowings will require the authorisation of the Board to approve the purpose and the parameters under which any facility is arranged. Such facilities are also subject to the approval of MEDR. The President & Vice Chancellor and the Chief Finance Officer will be authorised to commit the University to such borrowings in accordance with and only with the approval of a Board resolution.
      3. All other forms of financing, including leasing, will be determined by the Chief Finance Officer in accordance with the financial strategy of the University.
      4. New Developments: The introduction of new areas of investment and trading, such as crypto currency arrangements, require the prior approval of the Finance Committee.
2. CONTRACT & LEGAL SERVICES
   1. Employment Contracts: Commitment to Employment contracts and changes to those contracts may only be authorised through the procedures laid down by the People Services Department ([section 7.2](#_Salaries_and_Wages)). All employee-related contractual issues (including premature retirement and severance) are to be dealt with by the People Services Department on behalf of the President & Vice Chancellor, with the exception of posts designated as Senior Postholders, where responsibility lies with the Board of Governors.
   2. Procurement Contracts and Relationship Agreements: Procurement contracts for goods and services with tender values over £25k have a prescribed process for authorisation laid down in [section 7](#_EXPENDITURE) of these Regulations. Once this authorisation procedure has been achieved then the UEG member associated with that procurement or the Head of Procurement acting upon their authority will sign the formal contract for procurement (refer to [7.17](#_Cancellation_of_Contracts) for cancellation of procurement contracts).
   3. All other contracts must be controlled and authorised by the UEG member or a nominated deputy (within authorisation limits – [annex 4](#_ANNEX_4_-)) responsible for the area of activity to which the contract relates.
      1. The renewal of contracts may be approved by Deans, Directors or UEG within the scheme of [delegation limits](#_ANNEX_4_-).
      2. All new contracts must, at the earliest opportunity, be channelled through the University Secretary who may seek comment from the University’s legal advisers, to ensure form and content have been properly reviewed and are legally compliant. Financial and tax advice may also be sought.
   4. IR35 Off-Payroll Working: When engaging a service provider (worker or resource), it is essential that staff determine if a that provider/worker is regarded as an employee for tax purposes under HMRC’s Off Payroll Working rules. Guidance is available on the intranet from Procurement, People Services and Finance. Where the result of the [HMRC checker](https://www.gov.uk/guidance/check-employment-status-for-tax) is in doubt please seek advice from Procurement, People Services and Finance by emailing [IR35-Offpayroll@cardiffmet.ac.uk](mailto:IR35-Offpayroll@cardiffmet.ac.uk)
   5. Binding contracts can be made verbally as well as through formal documentation. Contracts made verbally can place the University in a position of significant risk. To avoid such risk, staff must ensure that any commitment made to an individual, supplier or external organisation is done so in writing through a proper contract arranged in accordance with the requirements of this regulation and within approved authorisation limits.
   6. The University Secretary is responsible for the safekeeping of official and legal documents relating to the University. The keeping of documents may be delegated as set out in the Scheme of Delegation, and all documents will be held appropriately.
   7. Legal Services: The University Secretary is the budget holder and has overall responsibility for all the University’s legal affairs. The University Secretary will establish the basis for taking legal advice and working with the University’s legal advisor.
   8. Conflicts and Declarations of Personal Interest: Any employee of the University who has any pecuniary, family or other interest, direct or indirect, in the purchase or supply of goods or services to/by the University and is involved in any stage of the creation process, the approval of or the management of that contract must make a written declaration of that interest to the Chief Finance Officer prior to negotiations commencing. This refers to any situation where employees may influence directly or indirectly the financial, economic, or other personal interest which might be perceived to compromise impartiality and independence in the process. Such a declaration will exclude the employee from participating in the contract negotiations except with the express approval of the President & Vice Chancellor. More guidance is available on the Procurement intranet pages.
   9. Any contract presented to the university in the form of a deed must be signed under seal, in accordance with the university’s Instrument of Government. The application of the seal of the University shall be authenticated by the signature of any two members of the Board of Governors or by the signature of any one member of the Board of Governors and the University Secretary. Contracts under deed as a result of a procurement tender must be forwarded to the Head of Procurement who will manage this process with the University Secretary. Other non-procurement related contracts presented under deed should be forwarded to the University Secretary.
3. INCOME
   1. General

Collection Responsibilities:

* + 1. The Chief Finance Officer is responsible for the collection of all monies due to the University and must approve the form of all stationery used in this function.
    2. Monies due to the University from external organisations shall be requested only on invoices approved by the Finance Department. Budget holders are not permitted to deal directly on this matter unless formally delegated by the Chief Finance Officer (refer to [section 11](#_COMMERCIAL_&_EXTERNALLY) for commercial or externally funded projects).
    3. Budget holders are required to furnish such particulars of charges for goods supplied or services rendered to the Finance Department to allow the financial system to record all sums receivable as promptly as possible.
    4. It is the responsibility of all budget holders to assist the Finance Department in the collection of monies. Any monies due to the University that are considered doubtful debts can only be written off in accordance with the provisions of the Financial Regulations (refer to [6.4](#_Bad_Debts)).
    5. Credit
       1. Budget holders are not empowered to extend credit to purchasers of goods or services. The Finance Department must approve all credit facilities or deferred payment schemes to minimise the risks of default.
    6. Setting of Charges
       1. The basis for all fees, charges and rents will be set by the President & Vice Chancellor in line with the directive of the Board of Governors and it is the responsibility of the Chief Finance Officer to ensure the application of this directive. Consequently, the Chief Finance Officer will be responsible for the processes of setting fees, charges and rents and budget holders must ensure that all charges are set through these processes or in line with approved values set by the Chief Finance Officer. (Specific areas of commercial and externally funded projects should be dealt with as outlined in [11.7](#_COMMERCIAL_&_EXTERNALLY))
       2. On occasion minor material charges or similar may be made available by Schools to their students. In such cases items are usually bulk purchased and charged to the purchaser at cost
    7. VAT must be applied in accordance with VAT law. Guidance on the application of VAT is provided in [section 10](#_VALUE_ADDED_TAX) of the Regulations and staff must ensure that they understand the requirements for the sale being made and seek direct guidance from the [Finance Department](https://outlookuwicac.sharepoint.com/sites/Finance/SitePages/VAT.aspx) if there is any doubt.
  1. Student Tuition Fees
     1. The Academic Board will approve the basis of fees charged to students on an annual basis. The Chief Student Officer establishes the eligibility of individuals to pay tuition fees and the Chief Finance Officer shall be responsible for ensuring the collection of those fees. The Chief Finance Officer will determine the payment schedule for each type of fee which must be adhered to at all times, subject to 6.2.2 and 6.2.3 below.
     2. The Chief Finance Officer may authorise an arrangement for deferred payment. The production of such written authorisation shall exempt the student from any of the consequences of non-payment stated below for as long as he or she complies with the arrangements authorised.
     3. Only the President & Vice Chancellor, or the Chief Finance Officer, may in exceptional circumstances waive fees and only where such a decision would not affect the payment of fees by other students. No fees will be waived in lieu of student placements, volunteers, or interns.
        1. Student fee discounts may only be applied in line with the specifications laid out in the Student Fee and Debt Management Policy
     4. Non-payment of any fees or other debts shall render students liable to penalties whereby:
        1. Re-enrolment shall be at the University's discretion and may not be allowed whilst there are outstanding fees to be settled.
        2. Students in debt and without an agreed payment plan may be deregistered and withdrawn by the University.
        3. Any outstanding debt to the University shall normally prevent registration for a new University course.
        4. Any student with an outstanding debt for tuition fees will not be eligible to have a degree conferred, attend graduation or otherwise to receive an award of a diploma or certificate or other qualification from the University until the account has been paid.
        5. Further details regarding non-payment of fees are contained in the [Student Fee and Debt Management Policy](https://www.cardiffmet.ac.uk/about/policyhub/Pages/default.aspx).
        6. Tuition fees payments made (knowingly or unknowingly) by fraudulent means will be rejected. Where a payment is identified as fraudulent or is notified at a later date by a credit provider as such, the tuition fee debt will be reinstated. Incidence of fraud will be reported internally, and action under Student Disciplinary Procedures may be taken. Criminal action may follow. An individual will have the opportunity to challenge a determination of fraud under the Student Disciplinary Procedures.
  2. Invoicing, Cash Collection and Banking

The collection of all monies due to the University is the responsibility of the Chief Finance Officer. Staff who receive monies payable to the University must ensure that they are paid promptly into the designated bank account or submitted to the Finance Department where appropriate. If a Budget holder needs to issue receipts, they should issue e-receipts where available or obtain an official receipt book from the Chief Finance Officer.

* + 1. As a safeguard against misappropriation of income and to ensure that credit control procedures are applied, budget holders and others concerned with the generation of income must ensure that a sales invoice is raised for all income with a value greater than £100 (with the exception of items covered by 6.3.3-5) due to the University as soon as the service has been provided, or earlier if circumstances permit. The appropriate rate of VAT must be applied (see section 6.1.7).
    2. Income receipts for values less than £100 should where possible be set up via the e-store. Payments with a value greater than £100 which are received via the University’s payment portals or e-stores may be exempted from invoice issue.
    3. Where invoices are raised this must be via the Financial Ledger System, using Finance Department approved stationery. The only exception allowed is Sports Facilities where invoices are raised via the Leisure Management Software system.
    4. Cashless point of sale receipts, such as the tilling systems are to be uploaded to the finance ledger the next working day or as agreed in writing with the Deputy Director of Finance.
    5. For VAT purposes all invoices must be raised within 14 days of the provision of the service. The approval of the Chief Finance Officer is required for any departure from the University's invoicing system.
    6. Many of the University’s commercial areas have moved to a cashless economy, with minimal till floats for emergency need. However, it is recognised that in certain areas of activity cash may occasionally be received for the immediate provision of facilities. This income must be properly controlled through a till system and the cash reconciled and banked in accordance with [income and banking procedures](https://outlookuwicac.sharepoint.com/sites/Finance/SitePages/Income.aspx) laid down by the Chief Finance Officer.
    7. During periods of emergency working the Chief Finance Officer may suspend the receipt of cash as a means of payment.
  1. Bad Debts
     1. The accounting system will credit cost centres with income when the invoice is prepared. If that income is not received and is written off (or provided against) the original credit will be reversed into the cost centre concerned.
     2. Only the Chief Finance Officer can authorise the write off of debts.
     3. All debt write-offs will be annually reported to the Finance Committee for information.
  2. Goods and Services transferred between Budget Centres
     1. Budget holders must be in complete control of all costs allocated against their budget centres and therefore must control the requisitioning of goods or services to be paid from those budgets.
     2. If the supply of goods is not external but internal, then a requisition must be placed from the budget holder to the provider who will follow the procedures for internal recharge.
        1. The pricing of the transfer will be at cost in all cases where costs can be identified. Where costs cannot be determined, i.e. for a service beyond the simple supply of goods, then an agreed price, acceptable to both parties, must be set and recorded. This price should not include any element of indirect overhead or profit.
  3. Gifts, Benefactions and Donations
     1. Members of the public or their representatives may approach individual members of staff with a view to making a gift, benefaction, or donation to the University for a specific or general purpose. In line with the financial limits of the Gifts & Hospitality Policy such approaches should be directed through the Dean or Director to the relevant UEG member who on the advice of the Chief Finance Officer (CFO) will ensure that due diligence and ethical checks are undertaken. Where this is deemed acceptable then the Dean or Director, will contact the benefactor and, after taking appropriate advice from the CFO), will advise the benefactor of the most effective way to make the gift, benefaction or donation.
     2. Where a gift is in the form of an asset or facility rather than in cash then the Chief Finance Officer or delegate will discuss with the Dean or Director responsible for the area of operation about accepting such a gift. Where the gift, is given for a specific purpose and is intended to establish in perpetuity a fellowship, prize or similar award, the School, after consultation with the Chief Finance Officer, will submit the proposal to the Academic Board for authorisation.
     3. The Chief Finance Officer will ensure an annual report of donations is provided to Academic Board.
     4. Once the award is established the budget holder will be responsible for expenditure from within the confines of the annual income and, in accordance with the specific terms relating thereto. In the event that the specific conditions become inoperable, the Budget holder will refer the matter back to the Chief Finance Officer who will consider the options and make proposals to the Academic Board regarding the future of the award.
     5. Donations belong to the University and not to the individual (refer to section 15). Donations must be requested and received purely for charitable purposes. Improperly received donations may constitute bribery.
     6. These areas are covered in detail in the University’s [Anti-Bribery Policy](https://www.cardiffmet.ac.uk/about/policyhub/Pages/default.aspx) and [Gifts and Hospitality policy](https://www.cardiffmet.ac.uk/about/policyhub/Pages/default.aspx).
  4. Authorisation of Income Generating Contracts
     1. [Section 5](#_CONTRACT_&_LEGAL) refers to the process required for initiating contracts.
     2. Authorisation for entering into contracts will be governed at the following levels:

|  |  |  |  |
| --- | --- | --- | --- |
|  |  | Value (including VAT) | Responsibility |
|  | Sale of University land and buildings (refer to section 12) | Any | Board of Governors, approval, with delegated authority to action to CFO & COUE&P |
| I | Long term hire/license/tenancy of the University’s premises. (refer to section 12) | Any | Chief Finance Officer & COUE&P to action following UEG approval |
| ii | Day/residential/ conference business | Up to £10,000 | Conference Services Manager |
|  |  | Up to £30,000 | COUE&P |
|  |  | £30,000 and above | Chief Finance Officer |
| iii | Commercial & Externally Funded Projects (see Section 11)  Research Projects | Up to £50,000  Up to £100,000 | Dean of School or Head of Unit  Director of Research & Innovation |
|  | Innovation Projects | Greater than  £30,000  Up to £50,000  Up to £100,000  Over £30,000 | UEG Member  Dean of School of Head of Unit  Director of Research & Innovation  UEG Member |
| iv | Education Contracts and Collaboration | Any | President & Vice Chancellor or nominee |

1. EXPENDITURE
   1. General
      1. The President & Vice Chancellor is responsible for all payments made by or on behalf of the University. The Chief Finance Officer shall approve all payment procedures.
   2. Salaries and Wages
      1. The Chief People Officer shall be responsible for the maintenance of Personnel records and for the provision of relevant information to enable all salaries, wages, pensions and other emoluments to be paid. Calculation and approval of the sums to be paid will be the responsibility of the People Services Department and the Chief Finance Officer shall be responsible for making such payments.
      2. Staff appointments may only be made through the approved system and where an appropriate budget is available. All staff appointments must be made through formal contracts, which identify the terms and conditions of employment and comply with guidelines and approval systems laid down by the People Services Department ([section 5](#_CONTRACT_&_LEGAL)).
      3. All remuneration payments, inclusive of all benefits received for work carried out within the University, must be made through the University payroll, and be subject to the deduction of tax under PAYE rules and national insurance, unless an alternative arrangement has been agreed by the Chief Finance Officer.
      4. Payments are made in accordance with pay scales and rates adopted by the Board of Governors and approved by the President & Vice Chancellor. The salaries of Senior Posts and Senior Staff, as specified within the Articles of Government, are determined by the Board of Governors' Remuneration Committee and those of senior managers by the President & Vice Chancellor. Any backdated pay awards are paid as soon as is practical after approval.
      5. All employees will be paid through the process of credit transfer into their own nominated bank account. Salaries will not be paid into another individual’s named account.
      6. Payments additional to the employee’s contractual pay are discouraged. However, payments may be made either under pre-determined reward or incentive schemes and for non-contractual additional working in special circumstances. Such payments must be proposed by the Director or Dean, endorsed by the President & Vice-Chancellor and approved for payment by the Chief People Officer.
      7. Hourly paid staff and contractual overtime are paid monthly in arrears, at the adopted rates based upon the hours worked and approved by the budget or delegated budget holder.
      8. Changes to terms and conditions including regradings or transfers must be dealt with through the formal guidelines and approval procedures and will only be actioned through the Chief People Officer. Part of this approval process will include recognition of the cost of such changes and acceptance of the budget-holder to incur these costs.
      9. The granting of a benefit in kind to staff may only be authorised by the Board of Governors for level 1 and level 2 staff; and by the President & Vice Chancellor for any member of staff below level 2. An unauthorised granting of a benefit in kind may lead to a significant liability for the University.
      10. All engagements with workers providing services as Personal Service Companies, Partnerships or Sole Traders will be reviewed under the IR35/Off-Payroll regulations to determine if they are inside or outside the scope of payroll. In all cases an HMRC CEST check will be completed and the University procedures in this area strictly followed.
   3. Payments to Students
      1. Reimbursement of expenses to students will be made in accordance with the University’s financial procedures. No discretionary payment can be made without the approval of the Chief Finance Officer. Payments can only be made under agreed University schemes or those relating to direct grants for the purpose.
      2. Bursaries and scholarships may be paid to students but only where the scheme or the individual award has been formally approved by UEG. Payments will be made strictly in accordance with the rules and regulations set for the award and must be controlled through the Finance Department. The Finance Department will be responsible for establishing the method of payment and dealing with any personal tax implications that may arise.
      3. Where students carry out work or a service for the University they must be treated as staff and salary payments made through the payroll system, noting that all staff employed by the University are paid at a minimum, the real living wage. Payments for services received from students must not be requested via Creditor Payments.
      4. Fee waivers, or other benefits may not be offered to students in lieu of salary payments ([6.2.3](#_Student_Fees)).
      5. Vouchers may not be offered in lieu of salary payments.
      6. Annual prizes must be authorised by the Dean of School in accordance with the established scheme associated with the prize. UEG must have approved the basis of the scheme and will be responsible for maintaining standards across the University and establishing new prizes in accordance with those standards.
      7. Refunds of student payments can only be made in accordance with rules and regulations established for the original payment. The following Departments are responsible for the policy and authorisation of refunds subject to that policy being approved by the Chief Finance Officer and the refunds authorised in line with the Scheme of Delegation - Annex 4.

* Hall Fees - Environments and Property Department
* Tuition Fees – The Finance Department with the exception of the following
* International Tuition Fees – Global Engagement
  + 1. No staff outside these departments should encourage or promise refunds to students. All refunds must be processed back to the original source via the University’s Payment Systems.
  1. Orders and Contracts for Goods and Services
     1. All goods and services purchased by the University must be necessary operational requirements and must be procured in accordance with the regulations and procedures in force at the time.
     2. No orders for goods or services with a value of £10k or more (including VAT) are to be placed without the prior approval of the University’s Investment Board (or successor committees). This directive applies to all new engagements as well as to renewing existing contracts. The exceptions to this requirement are list in Annex 5
     3. In addition to the requirements set out in these regulations, the Procurement procedural requirements are set out in the [Procurement section site](https://outlookuwicac.sharepoint.com/sites/procurement). The Head of Procurement should be consulted where any advice or clarification of these procedures is required.
     4. Budget holders are responsible for all expenditure against their budget codes. Budget holders may delegate part of their expenditure authority to nominated members of their staff but the details of all such delegations must be provided to Finance in accordance with the Approved Signatories procedure.
     5. Staff who make any expenditure commitment without proper, prior authorisation or in a manner not compliant with the procedures in force at the time will be considered liable for the consequences and, at the University’s discretion, may be subject to formal disciplinary proceedings.
     6. Any contract, agreement or similar documentation that relates to a procurement tender, presented by any supplier or contractor for signature or that may form part of any agreement must be approved by the Head of Procurement in advance and authorised in accordance with [section 5](#_CONTRACT_&_LEGAL) of these regulations.
     7. Budget holders shall ensure that purchases are made at the most favourable rate and provide the best value for money.
     8. In line with the wishes of the Board of Governors and new procurement legislation budget holders must also consider sustainability, environmental and ethical factors in their choice of purchases and look to give preference to local suppliers wherever possible within the requirement to obtain value for money.
     9. The purchase of goods or services should not be purchased personally by staff and reclaimed via a staff expense form. An exception may be made for incidental items while staff are undertaking business travel. Any other exception to this guidance requires the prior approval of the appropriate Dean or Director taking advice from the Finance Department.
  2. Procurement Procedures
     1. Expenditure commitments must only be placed using the approved procurement systems and by persons authorised to do so.
     2. Other than those items listed in [Annex 2](#_APPENDIX_2) all procurement must be the subject of an official Purchase Order or other approved purchase transaction.
     3. The budget holder shall ensure that all expenditure is a valid charge on the University and that adequate funds are available to meet the expenditure.
     4. The policy of the University is not to pay for goods or services until deliveries have been made and found to be satisfactory for the intended purpose. However, under exceptional circumstances a supplier may be justified in requiring part payment or full payment in advance. Such payments up to the value of £10k will only be made with the prior agreement of the Head of Procurement or in their absence the Deputy Director of Finance. Where the advance value is more than £10k the approval of the Chief Finance Officer is required. In such situations financial due diligence checks should be undertaken as appropriate on the proposed suppliers published accounts or part payments negotiated.
     5. The placing of orders by telephone, email or other non- approved method is only permitted in exceptional circumstances. In such circumstances, the orderer must contact the Head of Procurement in advance to obtain permission to proceed by this method.
     6. The University makes use of purchase cards for certain defined uses. The use of purchase cards must be in full compliance with the procedures and for the approved goods and / or services as set out in the [purchase card cardholder](https://outlookuwicac.sharepoint.com/sites/procurement) [manual](http://tsr.uwic.ac.uk/Units/PROC/Pages/Purchase.aspx) in force at the time. Budget holders must also ensure that the principles of appropriateness of purchase and prior authority as set out in section 7 of these regulations can be evidenced for each purchase made using a purchase card and that full records of the authorisation and subsequent transactions are maintained in accordance with the University’s document retention procedures. Non-compliance will be considered a disciplinary matter.
     7. The Procurement section approves and manages the issuing of purchase cards to ensure cards are used in a manner fully compliant with the regulations and conditions of use. Cards will only be issued to budget holders or a nominated deputy, in accordance with the scheme of delegation. The Head of Procurement has the right to withdraw cards from any Budget Holder where any improper use has occurred.
  3. Supplier Selection
     1. Where arrangements are in place with nominated suppliers on the University’s Buyers’ Guide, these suppliers should be used. Any proposed use of alternative suppliers for goods or services to those included in the Buyers’ Guide must be agreed in advance with the Head of Procurement.
     2. Where a proposed expenditure is for goods or services to be bought from any of the nominated suppliers on the University’s Buyers’ Guide, the requirement for obtaining quotations is waived up to an expenditure value of £25,000. If the value of the requirement is in excess of £25,000, the requirement must be referred to the Head of Procurement before proceeding to order.
     3. Irrespective of the value, where a proposed expenditure is for goods or services not covered by nominated suppliers on the Buyers’ Guide but is likely to become a regular, on-going requirement, the matter must be referred to the Head of Procurement before proceeding to order.
     4. Where a proposed expenditure is for one-off or irregular supply of goods or services not covered by nominated suppliers on the Buyers’ Guide, the budget holder must comply with the supplier selection requirements set out below. This selection of the successful supplier must be based on demonstrating best value for money, taking into consideration all costs of acquisition, delivery and all ongoing costs; all relevant sustainability and environmental factors; and all contractual risks and liabilities. Preference may be given to local suppliers wherever this is not to the detriment of obtaining best value for money.

Value of order Purchase requirements

Over £10,000 As below and with Investment Board approval (see section 7.4)

Up to £5,000 The orderer shall use good sense as to

the need to obtain information and ensure that a quotation is obtained prior to ordering.

Between £5,000 - Three written quotations are required\*.

£10,000

Between £10,000 - Three written quotations are required\*

£25,000 and the quotations must be submitted to the Procurement section for review and approve the proposed purchase.

Over £25,000 A competitive tender conducted via the

Procurement section and in accordance with the tendering procedure of the University and in a manner fully compliant with the relevant procurement legislation.

\*Any proposal to accept an offer other than the lowest cost must include a clear written justification to be approved by the Procurement section in advance of any commitment placed with the proposed supplier.

The order value is the total cost of the items or services involved, including VAT and any deferred payments.

Where a proposed purchase is the first of what is likely to be an on-going requirement, the purchase must be brought to the attention of the Procurement section in advance to assess potential supply options.

* + 1. The Head of Procurement and the Assistant Head(s) have the authority to waive requirements for tenders or multiple quotations where the budget holder can demonstrate, in advance, in accordance with the University’s [Single Source Action procedure](https://outlookuwicac.sharepoint.com/sites/procurement), that certain conditions apply and the Head or the Assistant Head(s)of Procurement agree and confirms such in writing. The conditions for a Single Source Action are detailed on the Procurement Intranet Pages and reflect procurement legislation:
    2. Orders for the following items must be placed through or with the express approval of the Chief Officer University Environment and Property:
       - All University buildings and building work.
       - Refurbishment of office/property leased or rental.
    3. The leasing or rental of property requires the approval of both the Chief Finance Officer & the. Chief Officer University Environments and Property
    4. Orders for non-standard IT equipment which will require support or maintenance from Library and Information Services must first have the express approval of the Director of Digital and Library Services.
    5. The Head of Procurement will have the power to prevent expenditure commitments being placed that do not appear to comply with the University’s policies or regulations or will not achieve best value for money.
    6. Declarations of interest must be completed by all parties in a procurement process and retained for audit purposes, refer to the principles in section 5.8. Above £10,000 the Declaration of Interest must be sent to Procurement along with the quotations. A Declaration of Interest is required for all Single Source Actions.
  1. Buildings and Building Works
     1. The principles stated in section [7.5](#_Procurement_Procedures) and 7.6, including obtaining quotations and going to tender at the values stated, shall apply to any contracts for building works, building leases/rents or the maintenance and servicing of building equipment.
     2. The Chief Officer University Environments and Property and the Head of Procurement shall ensure that the selection and appointment of contractors for building and refurbishment works complies with legislative requirements and good practice.
     3. The Chief Officer University Environments and Property will ensure that the payment schedule for works will be structured to include the minimum risk of payment for incomplete or unsatisfactory work.
     4. Budget holders may not authorise expenditure from their budgets for the redecoration and refurbishment of rooms and buildings under their control except with the explicit authorisation of the Chief Officer University Environment and Estates. Such approval will only be given after ensuring that the appropriate rules and regulations are met and that these developments do not conflict with central estates planning.
     5. Budget holders are not authorised to commit expenditure for the refurbishment, redecoration, or purchase of furniture for their offices without the prior approval of the University Executive Group member to whom they report.
  2. Capital Items
     1. Items with an expected useful life of more than 12 months and a value in excess of £10k are normally considered capital items. Budget holders must ensure that capital items purchased within the framework set out above, be specifically coded to AP\*\*\* account codes which identify the items as capital. These items will be logged in the University’s Asset Register. Further information is available in section 12.
  3. Personal or Private Purchases
     1. University procurement systems shall not be utilised for any personal or private purchases. Staff must not represent themselves as acting on the University’s behalf when making any personal purchases from University suppliers.
  4. Reciprocal Trading
     1. The exchange of goods or services can only be accepted where the purchase and the sale are properly recorded by the issuing of official invoices by both parties to cover the transaction. Failure to do this will be a disciplinary offence.
  5. Membership of Professional Bodies
     1. It is the University’s policy not to pay for individuals’ personal memberships of professional bodies. However, where an individual can demonstrate in advance to the Deputy Director of Finance that membership of the professional body provides the University with a direct financial benefit greater than the cost of the membership, then the University will bear the cost of membership. Only one member per professional body can be funded in this way and the individual will act as the conduit for all information and other benefits derived from the membership and must ensure these are generally made available and communicated for general University staff use. In all such instances, wherever possible, the membership should be taken out in the name of the University, with one individual nominated as a point of contact.
     2. The payment of a membership will be reimbursed where the membership is required for the accreditation of a teaching programme. If there is any doubt regarding the payment of such memberships, discuss with the Deputy Director of Finance prior to purchase.
  6. Tendering Procedures
     1. The Head of Procurement shall manage all aspects of the tendering process to ensure compliance with legislative timescales for public sector procurements and must be involved in advance by budget holdersin all potential tender value procurements. Budget holders must allow sufficient timescales for the tendering process to commence and complete.
     2. All tenders will be conducted in accordance with the Procurement tendering procedures in force at the time.
  7. Deferred Payments Schemes
     1. The Chief Finance Officer, prior to placing an order, must approve deferred payment schemes such as equipment rentals and leases capable of exceeding one year. A log of these long-term commitments will be maintained in the Finance Department.
  8. Authorisation of Expenditure
     1. The President & Vice-Chancellor will approve the level of non- pay expenditure and the operational scheme of delegation & authorisation to budget holders and managers within the parameters set out in the University’s scheme of delegation.
     2. The President & Vice-Chancellor will set out in the operational scheme of delegation and authorisation:
        1. The list of directors and managers who are authorised to enter into a liability for the supply of goods and services; and
        2. The maximum level of each liability and the system for authorisation above that level.
     3. The authorisation of expenditure shall be undertaken in accordance with the following requirements: (all authorisation values to include VAT if applicable).
     4. Value of Commitment Authorisation Level

Over £10,000 Investment Board approval and then as follows Up to £1,000 Budget holder or designated nominee \*\*

£1,000 to £10,000 Budget holder or authorised deputy \*\*\*

£10,000 to £25,000 Budget holder (Scheme of Delegation)

£25,000 to £250,000 Two signatories from UEG members

£250,000 to £500,000 Two signatories from Level 1 and Level 2

Over £500,000 Chair of Finance Committee, or The Chair

in the event of a conflict of interest arising \*

\*Requests for authorisation above £500,000 must be accompanied by a cover sheet detailing the UEG and Committee approval process followed.

\*\*Any member of staff who has been authorised by the budget holder to place orders and who has been included on the list of designated nominees provided to the Finance Department.

\*\*\*An authorised deputy will be a senior member of staff who has sole responsibility for a specific budget stated in writing by the budget holder, normally to provide cover in the budget holder’s absence.

* + 1. The list of budget holders and their corresponding spending limits can be found in [Annex 4](#_ANNEX_4_-) (Scheme of Delegation). Each budget holder in the Scheme of Delegation will complete and sign a University AS1 [Signatory Form](https://outlookuwicac.sharepoint.com/sites/Finance/SitePages/Stationery.aspx).
    2. The budget holder may delegate the authority to manage part of their budget (up to £10,000) to a delegated budget holder but must ensure that the delegated budget holder is aware of the responsibilities of budget holders. Each delegate budget holder should complete and sign a University AS2 [Signatory Form](https://outlookuwicac.sharepoint.com/sites/Finance/SitePages/Stationery.aspx). The AS2 form should be authorised by the appropriate manager from the Scheme of Delegation.
    3. The authorisation of building works or the maintenance and servicing of buildings equipment shall be undertaken in accordance with the following requirements:

Value of order Authorisation level

Up to £25,000 Chief Officer Environment & Property

£25,000 to £250,000 Two signatories (from: the

membership of the UEG

£250,000 to £500,000 Two signatories from level 1 or 2

Over £500,000 Finance Committee or The Chair in the event of a conflict of interest arising\*

\*Requests for authorisation above £500,000 must be accompanied by a cover sheet detailing the UEG and Committee approval process followed.

* 1. Coding Certification and Authorisation of Invoices for Payment
     1. Budget holders shall be responsible for the validity and accuracy of certification and authorisation of costs passed to the Finance Department for payment.
     2. Budget holders must ensure that authorisation to purchase is not possible singly. This means that the individual who signs for the receipt of goods or services must not also be the person authorising the order.
     3. Providing the full ordering process has been followed, authorisation of an invoice for payment can then be made by the budget holder or those to whom they have delegated responsibility, and such authorisation shall be taken by the Chief Finance Officer to mean:
        + That goods and services have been received or rendered to the satisfaction of the Authoriser.
        + That prices are correct.
        + That the coding is correct and adequate funds exist to meet the expenditure.
        + That the expenditure is a valid and approved charge on the University.
        + That the calculations are correct.
        + That where appropriate, entries have been made in the inventory and stores records.
        + That the invoice has not previously been approved for transmission to the Finance Department for payment.
        + That the invoice includes or excludes as appropriate a charge for Value Added Tax in accordance with the Regulations of Customs and Excise.
        1. In order to satisfy these points, the authoriser must inspect the supporting documentation including the properly approved order.
     4. Budget holders are required to assist the Finance Department in processing payments. The Finance Department will audit payment requests received and may require explanation or clarification of any item of expenditure in order to verify that the sum involved is reasonable.
  2. Gifts, Hospitality and Inducements
     1. Budget holders should be aware that occasionally firms offer gifts and inducements which overreach the acceptable limits of generally available promotional material and may breach the requirements of the Bribery Act. The requirement of the University Anti Bribery policy must be complied with at all times. Any breach of this policy by a member of University staff is deemed a disciplinary offence. The University’s Anti Bribery Policy and the University’s Gifts and Hospitality Policy can be viewed [here.](https://outlookuwicac.sharepoint.com/sites/Finance/SitePages/Policies.aspx)
     2. Suppliers may from time to time provide entertainment or invitations to events not directly related to purchasing. Care should be taken not to accept these offers in situations which may be seen as influencing procurement decisions. Such offers may, however, be accepted subject to the prior approval of the UEG member with line management responsibility, the President & Vice Chancellor for UEG members and the Chair of the Board of Governors for the President & Vice Chancellor. Such approval should be recorded and maintained by the individual. Further details are set out in section 8.3 of this document.
  3. Cancellation of Contracts
     1. Every contract shall provide that the University shall be entitled to terminate the contract and recover from the contractor or supplier the amount of any loss resulting from such termination, if the contractor shall have offered or given or agreed to give any person a gift or consideration of any kind as an inducement or reward for doing or forbearing to do or having done or forborne to do any action in relation to the obtaining or execution of the contract.
  4. Document Retention
     1. To meet statutory UK requirements transaction documentation must be retained for seven tax years – (April to March).
     2. The documentation retention requirements differ for EU funded projects, and it is a usual requirement to hold documents for more than 7 years. In each case, refer to the relevant EU funder regulations.
  5. Remote working during a period of crisis
     1. Where the University moves to a period of remote working, the process for authorising payments will be tightened to reduce the opportunity of fraud. In such circumstances all budget holders are required to follow temporary guidance which will be issued by the Chief Finance Officer or Deputy Director of Finance.

1. EXPENSES, GIFTS AND HOSPITALITY
   1. Staff and Governors' Expenses: Requests for reimbursement of mileage and expenses duly authorised by a budget holder shall be submitted on the [forms](https://outlookuwicac.sharepoint.com/sites/Finance/SitePages/Stationery.aspx) provided for this purpose. Individual subsistence and mileage expenses should not be charged to a University purchasing card unless the card holder is travelling whilst outside of the UK on pre-authorised travel and is an existing cardholder. Whilst entertaining external clients, cardholders may claim subsistence costs on their purchasing card whilst in the UK.
      1. The purchase of goods or services should not be paid personally by staff and reclaimed via a staff expense form. An exception may be made for incidental items while staff are undertaking business travel. Any exception to this guidance requires the prior approval of the appropriate Dean or Director taking advice from the Finance Department.
      2. Authorisation by a budget holder shall be taken to mean that the expenses comply with the University rates, regulations and procedures, have been properly calculated and coded, necessarily incurred on University business and have been correctly charged to an account with adequate provision to meet the expenditure. This section should be read in conjunction with the University’s [Business Travel & Expenses Policy](https://www.cardiffmet.ac.uk/about/policyhub/Pages/default.aspx).
      3. In all cases where expenses are claimed, receipts must be provided, and where VAT is charged these must be bona fide VAT receipts.
      4. One-off payments may be made to external examiners, visiting lecturers servicing recognised courses and individuals providing a service, where such payments are made inside the scope of off-payroll rules they will be subject to the appropriate employment taxes. Payment shall be made at rates approved by UEG from time to time, for UK staff through the University’s payroll to ensure regulations for UK PAYE are properly complied with.
      5. Staff shall be reimbursed for actual expenses incurred whilst on University business within and subject to the approved rates and regulations. Staff are required to exercise economy and take advantage of special travel facilities whenever possible.
      6. No budget holder may authorise payment of his or her own personal claims.
      7. Authorisation levels will be the same as those for purchases outlined in section [7.14.](#_Authorisation_of_Expenditure)
      8. Where expenses are identified within a grant received by the University, then the rates specified, providing that they do not exceed the University’s rates, will normally be applied.
      9. HMRC have withdrawn the dispensation for payments made for overnight stays with family and friends. No accommodation allowance may be claimed; however, staff are entitled to claim the daily subsistence value currently displayed in the University’s travel and subsistence policy. All claims must be receipted.
      10. All travel must be compliant with the [Business Travel and Expenses Policy](https://outlookuwicac.sharepoint.com/sites/Finance/SitePages/Policies.aspx) and must have prior approval (as set out in this procedure) before any travel is undertaken.
      11. Relocation expenses are paid in line with the University’s [Relocation Policy & Procedures](https://www.cardiffmet.ac.uk/about/policyhub/Pages/default.aspx) and within set HMRC limits.
   2. Non-Staff Expenses
      1. Persons requested to provide a service or attend an interview at the University may be reimbursed for receipted expenses, actually incurred, within the limits that apply to staff. They should be made aware of the rates of reimbursement by the budget holder concerned and the budget holder should take account of the need for economy.
   3. Gifts and Hospitality
      1. The receipt and provision of gifts and hospitality is governed by the University’s [Gifts and Hospitality Policy](https://www.cardiffmet.ac.uk/about/policyhub/Pages/default.aspx). Staff should familiarise themselves with and abide by the provisions of this policy at all times; the Gifts and Hospitality Policy should be read in conjunction with the University’s [Anti bribery Policy](https://www.cardiffmet.ac.uk/about/policyhub/Pages/default.aspx). Both policies can be accessed on the Policy [Hub](https://www.cardiffmet.ac.uk/about/policyhub/Pages/default.aspx).
      2. Entertaining external contacts may only be undertaken if there is a specific business reason for it and the number of staff in attendance does not exceed the number of visitors. The rules must be observed in order to comply with HMRC regulations.
      3. All entertaining must be authorised in advance. Budget holders may authorise appropriate entertaining/hospitality using the University’s catering facilities. Use of any other facilities or attendance at events for entertaining purposes must be pre-approved by the UEG member in direct line management of the budget area and by the President & Vice Chancellor for a UEG member.
      4. Entertaining of staff can only take place on site and as part of a formal meeting for business purposes. Events, specifically organised for the purpose of staff briefing, inductions, education or planning must be authorised by a member of UEG.
      5. Entertaining in the form of hospitality, providing trips such as to the theatre or sporting events are not considered to be business entertaining by the HMRC but are treated as a luxury. Such forms of hospitality will therefore not be provided by the University to staff except where formally organised as a University function by UEG or the Chair of Governors.
      6. University contributions to retirements must be authorised by the President & Vice Chancellor and meet HMRC requirements.
      7. The annual total cost of entertaining individual staff members must be held within the [HMRC limits](https://www.gov.uk/expenses-benefits-social-functions-parties).
      8. Entertaining groups of students on an infrequent basis (no more than annually) may be undertaken by Schools at no more than the prevailing staff lunch allowance per head as authorised by the Dean of School.
      9. No other University money should be used to entertain students unless written authorisation is provided by the President & Vice Chancellor or Chief Finance Officer.
2. PETTY CASH
   1. Cash floats may be made available by arrangement with the Chief Finance Officer, to enable the purchase of minor items (defined as under £20) or any variation approved by the Chief Finance Officer without the need to use the official ordering procedure, but still require proper receipting. The Chief Finance Officer is responsible for determining the maximum held in any cash float after consultation with the budget holder.
   2. Cash floats should not be used for travel or subsistence expenditure which should be claimed under [section 8](#_EXPENSES,_GIFTS_AND).
   3. Petty cash should not be used to reimburse staff expenses.
   4. Security of the cash float and the authority for purchases of a minor nature should be the responsibility of one person delegated by the budget holder.
   5. The petty cash must be balanced in accordance with a time schedule determined by the Chief Finance Officer and the budget holder or designated officer must verify this by signature.
   6. The Finance Department must be notified of any change in responsibility in order that the procedure may be explained to the new holder by a member of the Finance Department and the hand over properly recorded.
   7. Petty cash boxes must be kept locked and stored with an appropriate record, in a secure place when not in use. Vouchers for petty cash disbursements must be obtained and maintained for possible inspection when making claims for reimbursement.
   8. The petty cash may be subject to audit at any time and the budget holder must provide the auditors with assistance and access as requested.
   9. Any cash collected and stored within the University must be reported to the Finance Department and be subject to the security measures identified under this section for petty cash floats.
   10. Please refer to the University’s [Petty Cash procedure document.](https://outlookuwicac.sharepoint.com/sites/Finance/SitePages/Income.aspx)
3. TAXES
   1. VALUE ADDED TAX
      1. The Chief Finance Officer shall maintain the VAT records for the University and shall make all VAT payments and receive all VAT credits as appropriate, but budget holders are responsible for ensuring VAT is charged as appropriate when raising invoices.
      2. In general, most of the supplies made by the University may be regarded as falling within the scope of the exemption of education. Some activities, however, are not exempted. These include:
         * The supply of goods and services on payment by book shops, sport shops, launderettes, vending machines and other retail outlets.
         * Sale of second-hand goods, obsolete equipment and similar goods.
         * With certain exceptions, the supply of board and lodging to any outside organisation not part of the University or to individuals who are not students of the University.
         * The supply of catering to staff or visitors to the University.
         * The supply of holiday accommodation and meals served to holidaymakers in any University canteen.
         * All sales of, drinks and confectionery items, including ice cream and soft drinks, except when supplied and paid for as part of a student meal in dining accommodation where supplies of catering are exempt.
         * Charges for admission to concerts, exhibitions, museums or sporting events.
         * With certain exceptions, the hiring of sports facilities to outside organisations and individuals.
         * The hire of computer time except where hire is to another organisation financed primarily from public funds and is at a nominal charge.
         * The supply of language resources other than to the University’s own students.
         * Photocopying services.
         * Consultancy and laboratory services for which charges are made.
         * The sale or hire of films etc.
         * Holiday courses of a sporting or recreational nature.

The above list is for general guidance only and is not exhaustive. Further information may be obtained from the Finance Department.

* + 1. Where VAT has to be borne by the University it will be allocated as a cost against the budget for the item being purchased.
    2. A bona fide VAT receipt is defined as follows: -
       1. AMOUNTS OVER £250
          1. Invoice number
          2. The date
          3. Name, address and registration number of supplier
          4. Name and address of customer
          5. Type of supply - e.g. sale, rent, lease, hire purchase
          6. Description of goods or services provided
          7. Quantity of goods or extent of the service
          8. Rate of VAT and amount of VAT payable
          9. The price expressed both as a net and a gross amount
          10. If a discount is offered, the rate of discount must be shown
       2. AMOUNTS UNDER £250 (INCLUDING VAT)

1. Name, address and registration number of supplier
2. The date
3. Description of the goods or services
4. The price including VAT
5. The rate of VAT
   * + 1. HMRC will accept invoices for subsistence and travel which are made out to the employee, and not to the company seeking to recover input tax.
     1. A supplier earning over the [HMRC threshold](https://www.gov.uk/vat-registration/when-to-register) is required by law to register for VAT. Where the university is charged VAT, the invoice must quote the GB VAT registration number. If this number is not on the invoice the University is not required to pay the VAT element.
     2. Heads of Department shall ensure that Departments account correctly for VAT. Where there is doubt over the correct tax treatment, the [Finance Department](https://outlookuwicac.sharepoint.com/sites/Finance/SitePages/VAT.aspx) should be consulted.
     3. Where are service supply is sourced from outside of the UK, the Finance Department will, where applicable, add a reverse VAT charge (at the current tax rate) to the transaction which will be paid to HMRC. This tax charge will be applied post purchase and will be borne by the purchasing School or Department.
   1. OTHER TAXES & DUTIES
      1. The Financial Accounting Section of the Finance Department deals with all tax returns and correspondence with HMRC. Under no circumstances should any other department make direct contact with HM Revenue and Customs. All tax queries must be directed to the [Finance Department](https://outlookuwicac.sharepoint.com/sites/Finance/SitePages/VAT.aspx). The department does not advise on personal tax liabilities.
      2. Budget holders should ensure that all VAT liabilities are considered and that purchases, including the VAT element are within their authorisation levels.
      3. To enable the University to pay its import and export duties, the University’s preferred courier (2023: DHL) should be used. Further information can be found [here.](https://outlookuwicac.sharepoint.com/sites/Procurement/SitePages/Post-BREXIT-import-and-export.aspx)
   2. Overseas Taxes
      1. Where staff work for the University from an overseas location, tax liabilities will arise both personally for the staff member and for the University as an employer. International tax regimes are complex, vary by country and in some cases within countries by state. It is a University requirement that any staff member who wishes to work from an overseas location, contacts their Dean or Director who will initiate an HRPG request. As a part of the application process the University will at cost, seek external professional advice on its overseas tax filing requirements. This advice will not include personal tax liabilities.
      2. There is a growing international interest in the provision of online digital learning courses. Where these occur the tax filing requirement rest in the country in which the student/consumer resides. Given the nature of online courses this can cover a multitude of varying tax jurisdictions. Anyone considering establishing an online digital course must contact the Finance Department so that professional external advice can be sought (at cost). Costing and pricing forms must include estimates for the cost of tax advice, filing, translation, and tax payments in each country.
6. COMMERCIAL & EXTERNALLY FUNDED PROJECTS
   1. The University encourages staff to apply for grants to support activities and to develop projects for the academic and commercial benefit (to include all research and innovation funding including grants, contract and tenders) of the University. All such activities must be authorised in line with [6.7](#_Authorisation_of_Income) of these regulations prior to any commitment to those activities and in accordance with the [Costing and Pricing Procedures](https://outlookuwicac.sharepoint.com/sites/RIS/SiteAssets/Forms/AllItems.aspx?id=%2Fsites%2FRIS%2FSiteAssets%2FSitePages%2FCosting%2Dand%2DPricing%2FCardiff%2Dmet%2DCandP%2DGuidance%2DNotes%2DApril%2D23%2Epdf&parent=%2Fsites%2FRIS%2FSiteAssets%2FSitePages%2FCosting%2Dand%2DPricing) established by the Chief Finance Officer and the [R&I Pricing Policy](https://outlookuwicac.sharepoint.com/:w:/r/sites/Finance/_layouts/15/Doc.aspx?sourcedoc=%7B61E0DC0D-3E98-4FC0-9907-96D7C42F3F4D%7D&file=Official%20Policy%20Template_pricing.docx&action=default&mobileredirect=true). These Financial Regulations apply to all of the University’s activities irrespective of the source of funding.
   2. Appropriate contractual arrangements must be entered into in consultation with the UEG member responsible and the Chief Finance Officer to ensure that the external funding received is appropriate to the activity taking place and that any liabilities that may arise from the activity are identified and accounted for. This process will be achieved via an appropriate level of risk assessment taking place in advance of the activity (see [6.7](#_Authorisation_of_Income) for authority levels). Research and innovation contracts should be channelled through Research and Innovation Services via the [R&I Contracts portal](https://outlookuwicac.sharepoint.com/sites/RIS/SitePages/Contracts/Research-%26-Innovation-Contracts.aspx).
   3. The forms and procedures for these activities must be completed in good time to allow proper authorisation to take place and to provide the basis for the setting of budgets for those activities and the establishment of responsibility for delivery. No project applications may be submitted to a funder and no awarded projects may be accepted without completion of a [Costing and Pricing Form](https://cis2.cardiffmet.ac.uk/CostingAndPricing/) granting UEG & institutional approval. It is imperative that bids and proposals are robustly scoped and budgeted for prior to the submission to the funder. Projects budgets can only be changed in exceptional, unavoidable circumstances and this should be done in line with the funders’ guidelines and the University’s [Costing and Pricing Procedures](https://outlookuwicac.sharepoint.com/sites/RIS/SiteAssets/Forms/AllItems.aspx?id=%2Fsites%2FRIS%2FSiteAssets%2FSitePages%2FCosting%2Dand%2DPricing%2FCardiff%2Dmet%2DCandP%2DGuidance%2DNotes%2DApril%2D23%2Epdf&parent=%2Fsites%2FRIS%2FSiteAssets%2FSitePages%2FCosting%2Dand%2DPricing). Advice should be taken from the Finance Department ahead of all change agreements.
   4. All applications for grants must be submitted through the appropriate office or group (i.e. Research & Innovation Services; and/or the Board that controls the activity (e.g. PDR). The Finance Department will advise where this may not be clear. The Finance Department record these on financial systems in a way that properly reflects the activity and its performance, for reporting purposes to the budget-holder, funder Boards and to UEG.
   5. Commitment of expenditure for these activities will be subject to the normal processes outlined elsewhere in these Regulations. No expenditure shall be incurred which will cause the project to run into deficit without the prior agreement of the Chief Finance Officer. The budget-holder will be solely responsible for ensuring that the project delivers according to the agreed approval and for reporting to the UEG member concerned and the Chief Finance Officer any financial difficulties that may occur.
   6. Budget holders must ensure that only income and expenditure directly related to the activity is credited/charged against that activity. The budget holder has no authority to make use of any surplus which may result.
   7. Except with prior approval of the Board of Governors, an economic rate shall be charged for any goods or services provided and the Finance Department, which must be consulted before the price is agreed, shall advise on the appropriate rate together with the required payment terms, this must be done in line with the [R&I Pricing Policy](https://outlookuwicac.sharepoint.com/:w:/r/sites/Finance/_layouts/15/Doc.aspx?sourcedoc=%7B61E0DC0D-3E98-4FC0-9907-96D7C42F3F4D%7D&file=Official%20Policy%20Template_pricing.docx&action=default&mobileredirect=true). It is important that such income, once invoiced, is actually received. Budget holders must advise the Finance Department of any information they have or acquire which may affect the payment terms given or the subsequent collection of the monies. Budget holders are also required to assist collection when requested by the Finance Department.
      1. Deviations from full cost recovery represents a requirement for institutional match funding. Institutional match funding describes the University’s contribution, either cash or in-kind payments, to projects that are externally funded. The University may need to consider if subsidy control legislation applies to the project. Advice should be sought from Research & Innovation Services and the Finance Department.
      2. The authorisation sign-off for institutional match funding mirrors other areas of university expenditure. Where the cost of match funding is in excess of £10k the application must be considered by the Investment Board prior to entering into a contractual agreement.
   8. Budget holders must ensure that UK VAT is properly included on both income and expenditure when costing and pricing a project.
      1. Where projects are taking place outside of the UK (including online), advice should be sought on the relevant country tax regime(s) (see section 10).
   9. Staff employed on these activities must be appointed through the University’s People Services procedures (see section [7.2](#_Salaries_and_Wages)) and no commitment to employ any person shall be incurred outside the proper procedures.
   10. Where the University engages with individual service providers, R&I projects must in line with the rest of the University follow IR35/Off-Payroll guidelines.
   11. Where the University acts as the lead institution for an award of an R&I grant or contract, appropriate Collaboration Agreements must be established in consultation with the Office of the UEG member responsible and the Office of Chief Finance Officer to ensure that the external funding received is appropriate to the activity taking place and the liabilities associated with the collaborator(s) involvement are identified and accounted for appropriately. Truly collaborative activity, which is underpinned by a Collaboration Agreement, will fall outside the scope of Section 7.4 of these Regulations but will need to appropriately authorised in line with Section 7.14 of these Regulations. This process will be achieved via an appropriate level of risk assessment taking place in advance of the activity (see 6.7 for authority levels). Research and innovation contracts should be channelled through Research and Innovation Services via the R&I Contracts portal.
   12. Where the University provides goods or services to individuals in a personal capacity or to outside bodies an appropriate charge shall be made. Depending on the nature of the provision, the place of supply, and to whom the good or service is provided, VAT may need to be applied to the cost. The Finance Department can advise.
   13. The accounting for these projects will be channelled through the University or its subsidiaries as considered appropriate by the Chief Finance Officer at which point guidance will be provided regarding the commercial and taxation implications.
       1. Staff are not empowered to set up subsidiaries or spin-out companies to facilitate activities. All such ventures require the approval of the President & Vice Chancellor, taking advice on the funding and tax implications from the Chief Finance Officer prior to setup. No University Company may be set up to exploit University owned intellectual property unless it has been approved by the President & Vice Chancellor and the Chief Finance Officer has been notified prior to establishment.
       2. The set up and registration of new companies at Companies House will be completed by the Secretariat with support from the Finance Department.
   14. Where Schools or Department co-operate in a project there will be a lead School or Department where the project accounting will take place. The collaborating schools will be issued with a separate cost centre to house their respective associated income and expenditure. Overheads associated with the drawdown of the grant should be shared equitably in proportion to the staff FTE effort on the project, in line with full economic costing principles.
   15. It is the responsibility of the project budget holder/principal investigator (PI) to ensure that reports are submitted to funders in a timely manner. The PI must provide the Finance Department with all necessary information to ensure that financial returns are completed on time. Appropriate time should be given for the Finance and R&I Departments to review submissions, financial reports and claims prior to submitting to an external funder. All projects may be subject to audit.
7. ASSETS & PROPERTIES
   1. Budget holders are responsible for the care and custody of all the University’s assets within their control and the accommodation that they occupy.
   2. Budget holders will maintain appropriate records and inventories of assets held to ensure their safe custody and to control their issue and disposal where appropriate. Such arrangements should include regular physical checks of equipment and stores as directed by the Chief Finance Officer. Inventories must be updated and returned annually to the Finance Department in line with the University’s [Asset & Inventory Procedure](https://outlookuwicac.sharepoint.com/sites/Finance/SitePages/Policies.aspx)
   3. Asset purchases by the University should be effectively marked to identify them as University property and to identify them with records held. Where appropriate the University’s records will be held on a central fixed asset register maintained by the Finance Department.
   4. Asset purchases with a value of £10k or more will usually be depreciated over their useful life. All such purchases must be coded to an asset account code for identification.
   5. No University assets shall be subject to personal use by employees without prior permission from the Budget holder responsible.
   6. Assets purchased to enable remote working should be clearly marked as University assets and recorded on inventories. These assets remain at all times the property of the University.
   7. University assets held ‘at home’ or when travelling are covered by the University’s insurance cover (limits apply).
   8. Losses due to theft or other means must be reported immediately to the Chief Officer University Environments and Property and the Chief Finance Officer.
   9. Where significant levels of stock are held budget holders should ensure that these levels are kept to a minimum to avoid excessive risk and insurance costs.
   10. Deficiencies or surpluses in stocks or stores, or misplacement of equipment, must be notified to the Chief Finance Officer. Losses are required to be regularly reported to the Audit Committee and annually to MEDR. The format for such reporting is the responsibility of the Chief Finance Officer and requires the identification of the value of the loss and the action to be taken.
   11. The disposal of any asset, whether sold or donated without cost, must be covered by an appropriate disposal contract to ensure the appropriate transfer of risk and waiver of liability. Contract templates are available from the Procurement section.
   12. Disposal of assets of a capital nature (i.e., items with an expected useful life, when new of more than 12 months) must be approved by the UEG member responsible. This approval must consider the risks for potential liabilities of that disposal and ensure that appropriate contractual arrangements are put in place where necessary particularly where the asset is sold. Where the original purchase and/or replacement cost of the item or items to be disposed of exceeds £10,000 the approval of the Chief Finance Officer will be required. Any disposal, whether or not the item is sold, must be notified to the Chief Finance Officer in order to maintain the University’s financial records.
       1. Asset sales must be subject to proper invoicing and VAT and issued on invoices raised via the finance system.
       2. Budget holders are not authorised to commit expenditure for the refurbishment, redecoration, or purchase of furniture for their offices without the prior approval of the UEG member to whom they report.
   13. The renting or leasing of accommodation to or from external bodies is a dual role. It is the responsibility of the Chief Officer University Environments and Property to ensure that appropriate safeguards are put in place to protect the legal position of the University. In addition, the Chief Finance Officer must approve the mechanisms to collect payments from those external bodies. It is a disciplinary offence for staff to commit the University to any such arrangements without these two authorities.
   14. Authority levels for renting and leasing of space are contained in [Section 6.7](#_Authorisation_of_Income) of these regulations and the Chief Finance Officer & the Chief Officer University Environments and Property must both sign off all contracts.
   15. The acquisition or disposal of land and buildings whether by direct purchase, rent, build or property lease is the responsibility of the Estates and Finance Departments. The Chief Officer University Environments and Property & the Chief Finance Officer must both give transactional authorisation for such acquisitions or disposals. The Chief Officer University Environments and Property will be responsible for ensuring that the acquisition is necessary in accordance with the University’s Strategic Estates Plan; that the **approval of the Board of Governors is in place**; and that the contractual arrangements are clear and protect the University. It is the CFO’s responsibility to ensure that adequate finance is in place. It is a disciplinary offence for staff to commit the University to any such arrangements without this authority.
   16. The ad hoc acquisition of premises for conferences or seminars is not subject to this section of the regulations but should be procured as required under [Section 7](#_EXPENDITURE) of these regulations.
8. INSURANCE
   1. The Chief Finance Officer will be responsible for effecting insurance cover on a general basis as dictated by the Finance Committee. (Outlined in [Annex 3](#_ANNEX_3_-)). The cover arrangements are approved by the Finance Committee.
   2. Budget holders shall inform the Finance Department of any event, which may involve the University in a claim or any activity, or acquisition of an asset or provision of a service that may involve the University in a risk not already covered by insurance. If in any doubt the budget holder must ensure that the situation has been fully checked and relevant insurance is in place.
   3. Budget holders must provide promptly all information required for the proper processing of insurance matters to the Chief Finance Officer. Third party claims must be passed immediately to the Finance Department and without comment to the third party. This ensures that the University’s legal position and insurance policies are not compromised.
   4. The Chief Finance Officer shall be responsible for dealing with all registered claims appointing and dealing with insurance agents and for collection or negotiations relating to such liabilities.
   5. Insurance excesses will be borne by budget holders.
   6. The University accepts no responsibility for any work done, advice given, or activity undertaken by Staff acting in a private capacity. Staff are reminded of the need to take out professional indemnity insurance for such work, advice and activity. They are also responsible for their own tax liabilities arising from such work.
   7. Unless the Head of Department gives prior written consent and an appropriate contractual agreement with the University is put in place (including insurance arrangements), non-University activities may not be carried out on University premises, nor University facilities or resources used for such activities.
   8. All staff using their own vehicles on behalf of the University must maintain appropriate insurance cover for business use.
   9. Assets such as laptops and other equipment belonging to the University and used at home for remote working are covered by the University’s insurance cover (limits apply)
   10. Staff should refer to [Travel & Subsistence (scheme)](https://outlookuwicac.sharepoint.com/sites/Finance/Shared%20Documents/Forms/AllItems.aspx?id=%2Fsites%2FFinance%2FShared%20Documents%2FTravel%2FTravel%20and%20Subsistence%20Expenses%20Scheme%20May%202019%2Epdf&parent=%2Fsites%2FFinance%2FShared%20Documents%2FTravel) and [Business Travel Policy](https://www.cardiffmet.ac.uk/about/policyhub/Pages/default.aspx) for details of insurance cover when travelling.
   11. In line with the recommendations of the Association of British Insurers [(ABI,)](https://www.abi.org.uk/products-and-issues/choosing-the-right-insurance/business-insurance/liability-insurance/employers-liability-insurance/work-experience-students/) where students attend UK work placements it is a University requirement for Employer’s Insurance Liability cover (minimum £5m 2024) to be in place.
   12. The University’s insurance does not cover overseas student placements.
9. STUDENTS’ UNION
   1. The Students’ Union is a separate legal entity, but the University’s Governing Body has certain responsibilities for its activities and operations.
   2. Subject to the constraints imposed by MEDR, the Governing Body shall determine the level of grant to be paid annually to the Students’ Union and approve its constitutional basis.
   3. The Students’ Union is responsible for maintaining its own bank account and financial records and preparing its own annual accounts.
   4. The Students’ Union must present its annual budget to Finance Committee annually.
   5. At year-end the Students’ Union financial statements will be audited by a firm of auditors approved by the University and will be presented to the Finance Committee.
   6. In accordance with an agreement between the University and the Students’ Union, the Chief Finance Officer and the University’s internal auditor shall have access to records, assets and personnel within the Students’ Union in the same way as other areas of the University.
   7. The Students’ Union will not enter into any loan agreements or take on any major potential liability without the approval of the Finance Committee.
10. TRUST FUNDS
    1. The Chief Finance Officer is responsible for maintaining a record of the requirements for each trust fund and for advising Finance Committee on the control and investment of fund balances.
    2. Finance Committee is responsible for ensuring that all the University’s trust funds are operated within any relevant legislation and the specific requirements for each trust.
    3. Funds may be received for purposes specified by donors or to meet established fund-raising objectives. In these circumstances the funds will be treated as internal “trust funds” and utilised only for the purposes established (refer to [section 6.6](#_Gifts,_Benefactions_and))
11. ANNEX 1 - REGULATIONS RELATING TO BUDGET HOLDERS

Ref

1.4 - Communicating these regulations to staff

* 1. - General responsibility and powers
  2. - Budgetary control responsibilities

3.5.3 - Coding of income and expenditure

3.6 - Responsibility for reporting financial concerns

4. - No powers to arrange banking or borrowing

5.3 - Powers to contract limited by delegation scheme

5.8 - Contracts - declaration of interests 6.1.2/3/4 - Raising invoices

& 6.3.2

* + 1. - No authority to agree credit or payment terms
    2. - All fees, charges, rents to be set through the CFO
  1. - Transfer of goods/services between budget centres
  2. - Gifts to the University

7.2 - Payments to staff

7.3/6.2.3 - Payments to students

8.1.1 - Authorisation of Expenses

8.1.6 - No authority to authorise own expenditure

8.1.10 - Travel approval

* + 1. - Entertaining of staff
    2. - Entertaining of externals

1. - Petty cash usage
2. - Tax Compliance
3. - Commercial and Project control
4. - Responsibility and ownership of assets

13.2 - Insurance Claim Reporting

1. ANNEX 2 - LIST OF ITEMS NOT REQUIRING ORDERS

The following items do not require the placing of individual orders to facilitate payment but:

1. Must be subject to a centralised contract held by the Head of Procurement.
2. The invoices must be authorised in accordance with the authority levels set out for ordering purposes in 7.14.
3. Renewal of rentals/leases and payment of service charges for the following: (This specifically excludes request for new supplies)

* Gas
* Electricity
* Water/Sewage
* Rates
* Telephones/faxes

1. Taxis
2. Finance and operational leases (excluding the initial contract)
3. Rental of Land and Property subject to tenancy agreements
4. Insurance Premiums
5. Central subscriptions
6. Payments to Agents, where based overseas
7. Examination fees
8. Validation fees
9. Registration fees
10. Postage
11. Legal services
12. Use of a University contracted Travel Management Company
13. ANNEX 3 - INSURANCE COVER GUIDANCE NOTES
14. **PROPERTY DAMAGE** - "Property" includes buildings, foundations and all equipment. The cover is "all risks" but excluding theft, (but please see paragraphs 10 and 11 below).
15. **BUSINESS INTERRUPTION** - Relates to the loss of income and additional expenses as a result of damage to the University’s property. The cover is "all risks", excluding theft, for a maximum of 36 months or 12 months for IT related interruptions
16. **PUBLIC LIABILITY** - Relates to legal liability for accidents involving injury to third parties or their property. This includes product liability. Under this policy students are deemed to be third parties.
17. **EMPLOYERS LIABILITY** - Relates to legal liability only for accidents to employees, arising in the course of their employment but please see paragraphs 14 and 15 below.
18. **PROFESSIONAL NEGLIGENCE** - Relates to legal liability for loss sustained by third parties as a result of professional negligence by an employee of the University.

Note: This is particularly relevant to research and consultancy work and it is imperative that all such agreements and contracts are notified to the Finance Department, before a commitment is entered into. Failure to comply could result in employees carrying risk personally.

1. **LIBEL AND SLANDER** - Covers transgressions by employees or governors.
2. **GOVERNORS' LIABILITY** – Relates to legal liability for damages against governors, directors and officers arising out of their duties for the University.
3. **MOTOR VEHICLE GENERAL** - Provides comprehensive cover in respect of specified vehicles belonging, leased or on permanent hire to the University.

Note 1: It is important to notify the Finance Department when vehicles are hired without insurance cover.

Note 2: Green cards should be requested from the Finance Department.

1. **MOTOR CONTINGENT LIABILITY** - Covers the contingent legal liability of the University for injury to third parties or their property by governors’ employees or students using their own vehicles on University business.

Note: This does not absolve members of staff from carrying proper "business insurance" for their own vehicles.

**COMPUTER** - Covers loss of or damage to any computer equipment (including peripherals, PC's and specialist plant in computer rooms), including breakdown, whilst situated on or off University premises. Additional costs of working pending repairs or replacement and recompilation of data are also covered. Cover for cyber security breaches is limited.

1. **THEFT** - Covers loss or damage to the University property as a consequence of theft and is not restricted to violent entry.

Personal effects of employees and students, however, are not covered.

1. **HIRED-IN PLANT** - Covers legal liability under hire agreements to pay compensation for loss or damage to the plant resultant continuing hire charges, injury to third parties and loss of or damage to their property.
2. **FIDELITY GUARANTEE** - Covers loss of stock or money resulting from dishonesty of employees.
3. **MONEY** - Covers the loss of the University’s cheques or money on the premises, in machines, in employees’ residences and in transit.

Note: Very low limits apply to claims in this section. Only minimal amounts of cash should be kept anywhere other than in safes.

1. **PERSONAL ACCIDENT** - Covers occupational accidents to all employees and Governors regardless of legal liability.

Note: This insurance is not statutory but reflects the University’s policy in protecting its own staff. You should note that the cover does not relate to students and it is the policy of the University that personal accident insurance for students is a matter for their own judgement. You should not, therefore, request accident insurance for students when arranging teaching practice or placements. You may, however, advise students to take out such cover at their own expense if they so desire. However, please see paragraphs 16 below.

1. **TRAVEL** - Cover is for all employees for journeys anywhere in the world and relates to medical and related expenses, personal effects, money, legal liability and personal accident.

Note 1: Personal accident policy both amounts would be payable.

Note 2: The University pays an annual deposit for this policy and notifies the Insurers of actual travel at the year-end. All travellers or organisers must notify the Finance Department of their arrangements so that cover is not compromised. The Insurers should not be notified direct.

1. **ENGINEERING AND PLANT** - This is statutory insurance relating to boilers, pressure plant, lifts and lifting machines electrical and miscellaneous machines. The cover includes periodical inspection of the plant and issue of reports to comply with statutory requirements. The risks insured against include sudden and unforeseen damage, breakdown and impact damage to the University property.

Note: The inspection and reporting service provided does not absolve the University from its statutory responsibility to maintain a register of all such plant and equipment, including all inspection dates.

1. **TERRORISM** – Covers acts of terrorism for political, religious or ideological purposes.
2. **KIDNAP and RANSOM** – Covers incidents of kidnap and extortion.
3. ANNEX 4 - SCHEME OF DELEGATION

|  |  |  |  |
| --- | --- | --- | --- |
| **Position** | **Expenditure** | | **Income Generating Contracts** |
| **Sole Authority Upper Limit (£)** | **Dual Authority Upper Limit (£)** | **Sole Authority Upper Limit (£)** |
| **President & Vice-Chancellor – Level 1** | 150,000 | 500,000 | Any |
| **University Executive Group (UEG) – Level 2 \*** |  |  |  |
| Deputy Vice-Chancellor & Provost | 25,000 | 500,000 | Any |
| Pro Vice-Chancellor Research Innovation & Enterprise | 25,000 | 500,000 | Any |
| Pro Vice-Chancellor Global & Civic Engagement | 25,000 | 500,000 | Any |
| Chief Finance Officer | 25,000 | 500,000 | Any |
| Chief People Officer | 25,000 | 500,000 | Any |
| Chief People Officer – for severance payments only\*\* | 50,000 |  |  |
| **Schools – Level 2** |  |  |  |
| Dean of the School of Art & Design | 25,000 |  | 50,000 |
| Dean of the School of Education & Social Policy | 25,000 |  | 50,000 |
| Dean of the School of Sport & Health Sciences | 25,000 |  | 50,000 |
| Dean of the School of Management | 25,000 |  | 50,000 |
| Dean of the School of Technologies | 25,000 |  | 50,000 |
| Dean of Learning and Teaching | 25,000 |  | 50,000 |
| **Professional Services – Level 3** |  |  |  |
| Chief Officer University Environments and Property | 25,000 |  | 50,000 |
| Director of Research & Innovation | 10,000 |  | 100,000 |
| Chief Marketing, Communications and Student Recruitment Officer | 10,000 |  | 10,000 |
| Chief Student Officer | 10,000 |  | 10,000 |
| Director of Global Engagement | 10,000 |  | 10,000 |
| Director of Global Engagement for student refunds & agent commission payments\*\*\* | 25,000 |  |  |
| Director of PDR | 10,000 |  | 10,000 |
| Director of Sport | 10,000 |  | 10,000 |
| Director of Digital & Library Services | 10,000 |  | 10,000 |
| Deputy Director(s) of Finance | 10,000 |  | 10,000 |
| University Secretary | 10,000 |  | 10,000 |
| Head of Governance & Clerk to the Board | 10,000 |  | 10,000 |

All expenditure over £10k requires the prior approval of the Investment Board with the exception of items listed in Annex 5

\*The dual authority limit for Level 2 officers will remain at £500k in instances where dual authority is required and when the Vice Chancellor is unable to act or is absent for a sustained period.

\*\*The single authority limit for the Chief People Officer is £25K but will increase to £50k solely for the purpose of authorising staff severance payments.

\*\*\*The single authority limit for the Director of Global Engagements is £10k but will increase to £25k solely for the purpose of authorising international student tuition fee refunds and the payments of international agent recruitments fees as pre-agreed in agent contracts.

***Notes:***

* 1. Financial limits can be delegated up to £10k either generally or for specific items.
  2. Authorised Signatory forms ([AS1 & AS2](https://outlookuwicac.sharepoint.com/sites/Finance/SitePages/Stationery.aspx)) must be completed in all delegation cases.
  3. These limits apply to expenditure authorisations, where the control lies and exceptional income transactions.
  4. All authority limits where applicable include VAT or reverse charge VAT at the applicable rate, and the cost of import/export duties.

1. ANNEX 5 - Payment Exceptions Which Do Not Require Prior Investment Board Approval
   1. The following encompass the payment of invoices under contract, they do not remove the need to present contract renewal requests to Investment Board for approval

* The payment of utility bills
* Student refunds
* International agent commission payments
* Annual Insurance Premium
* University loan repayments
* Payments off existing contracts previously agreed by the Investment Board and/or Finance Committee
* Payments to collaborative partners which form a distribution of shared income for externally funded R&I projects.
* Payments to HMRC for taxes owed
* Audit payments
* Budgeted central subscription payments, these have prior UEG approval.
* Legal fees

1. ANNEX 6 – FINANCIAL SIGNATORIES

21.1 Bank mandate signatories are set to require two of the following.

* Chief Finance Officer
* Director of Finance
* Deputy Director of Finance
* Finance Business Partner at grade 8 or above

21.2 The above staff must be professionally qualified accountants.