

FINANCIAL REGULATIONS 2011

CONTENTS PAGE

1.	PREFACE AND INTRODUCTION	1
2.	CORPORATE GOVERNANCE	3
3.	ACCOUNTING ARRANGEMENTS	7
4.	BUDGETS AND BUDGETARY CONTROL	12
5.	ARRANGEMENTS FOR BANKING OF CASH AND CHEQUES	15
6.	PETTY CASH	20
7.	CONTROL, CUSTODY AND SECURITY OF DOCUMENTS	22
8.	PURCHASING AND EXPENDITURE	23
9.	FINANCIAL CONTROL OF CONTRACTS	30
10.	SUBSISTENCE AND TRAVEL CLAIMS	36
11.	INTER DEPARTMENTAL TRANSFERS	43
12.	METHODS OF FINANCING	44
13.	STOCKS AND STORES CONTROL	45
14.	SALARIES AND WAGES	46
15.	INCOME	48
16.	STUDENT FEES	51
17.	STUDENT ACCOMMODATION CHARGES	56
18.	UNIVERSITY COMPANIES	57
19.	THIRD MISSION ACTIVITIES	58
20.	ASSETS	68
21.	FUNDS AND RESERVES	74
22.	COPYRIGHT AND THE LAW	76
23.	INSURANCE	77
24.	VAT	84
25.	UNIVERSITY AND COMPANY SEALS	86
26.	POLICY AND PROCEDURES FOR FRAUD	87
27.	MISCELLANEOUS	89

1. PREFACE AND INTRODUCTION

- 1.1 These Financial Regulations are applicable to all staff of the University of Wales, Newport, members of the Board of Governors and Visiting Teachers and External Examiners whilst they are engaged by the University.
- 1.2 These Financial Regulations have been prepared to outline the respective roles and responsibilities for finance and finance related matters within the University. The Financial Regulations provide guidance to Governors and staff on the regulatory framework to be followed in administering the financial transactions undertaken on behalf of the Institution and as a point of reference for more detailed financial procedures as documented within the University of Wales, Newport Policies and Procedures Manual.
- 1.3 The Financial Regulations provide the operational basis by which the University's Governing Body and the Vice-Chancellor (as the appointed Accounting Officer) meet their responsibilities for ensuring that the Institution complies with the Financial Memorandum with the Higher Education Funding Council for Wales (HEFCW).
- 1.4 Staff who fail to observe the Financial Regulations will be subject to disciplinary action. Where appropriate, the Vice-Chancellor will be required to report to the Board of Governors on any such financial improprieties.
- 1.5 Where relevant and practical, the Financial Regulations apply equally to subsidiary undertakings of the University. The Directors of these undertakings will be responsible for ensuring that this is achieved.
- 1.6 These regulations are reviewed on an annual basis by the Pro Vice Chancellor (Resource Planning) and Director of Finance (hereafter referred to as "Director of Finance"), who invites Heads of Departments and Senior Officers to comment upon and suggest amendments to the existing Financial Regulations.
- 1.7 Inevitably, the regulations do not cover every possible situation and it is important that where doubt arises written advice is sought from the Director of Finance, Internal Audit Manager, Group Financial Controller or Chief Accountant/Senior Accountant.
- 1.8 These regulations should be interpreted reasonably and intelligently with due regard to the underlying interests of the University. For further, more detailed guidance, officers should refer to the relevant Financial Procedures as documented within the University of Wales, Newport Policies and Procedures Manual.

- 1.9 It is the responsibility of all staff to ensure the safeguarding of all of the University's assets and resources. To assist in this process, this set of Financial Regulations have been put in place. Each member of staff is given a copy of these Financial Regulations on commencement of employment and should be familiar with their contents. Changes to the Financial Regulations will be notified to employees and an updated copy is accessible on the University of Wales, Newport Finance website.
- 1.10 If there are any areas of the University's financial administration upon which any member of staff requires further guidance or clarification they should contact their Departmental Administrative Officer in the first instance.

2. CORPORATE GOVERNANCE

2.1 Board of Governors

2.1.1 The Board of Governors is the executive authority of the University responsible for the management and administration of the finances and property of the University. Members are nominated by the Board of Governors and accepted by the University, and include the Vice-Chancellor, an Academic Board nominee and a Student Union nominee. Lay members form a majority of the composition of the Board. They contribute objectivity and outside expertise to the work of the Board of Governors, and simultaneously represent the interests of the community beyond the University.

2.1.2 The Board determines the mission and objectives of the University and oversees its activities. The Board also has responsibility for regulating and controlling the finances of the University through the Committee for Estates Infrastructure and Financial Sustainability (CEIFS) and Audit and Risk Committee, in accordance with the Financial Memorandum between the University and the HEFCW. Specifically, the Board must advance the interests of the University and its responsibilities are to:

- ensure the solvency of the institution and the safeguarding of the institution's assets
- appoint, grade, suspend, dismiss and determine the pay and conditions of service of the vice chancellor and other senior post-holders
- set a framework for pay and conditions of service of all other staff
- ensure that the financial, planning and other management controls, including controls against fraud and theft, applied by the institution are appropriate and sufficient to safeguard public funds
- approve the appointment of external auditors and an internal audit service
- secure the efficient, economical and effective management of all the institution's resources and expenditure, capital assets and equipment, and staff, so that the investment of public funds in the institution is not put at risk
- ensure that appropriate financial considerations are taken into account at all stages in reaching decisions and in their execution
- plan and conduct its financial and academic affairs so that its total income is not less than sufficient, taking one year with another, to meet its total expenditure
- approve an annual budget before the start of each financial year
- determine tuition fees
- ensure that the institution complies with the funding body's audit code of practice
- approve the institution's strategic plan
- approve the annual Financial Statements.

2.2 **Vice-Chancellor**

2.2.1 The Vice-Chancellor as the Chief Executive and the nominated Accounting Officer is ultimately responsible to the Board of Governors for the efficient functioning of the University.

2.2.2 The Vice-Chancellor will ensure the efficient, effective and economic management of the University's financial affairs, and is responsible for bringing the Financial Regulations to the attention of University staff. The Financial Regulations will be observed throughout the University.

2.2.3 The day to day functions of the University will be delegated to suitably qualified Senior Executives within the University, at the Vice-Chancellor's discretion.

2.2.4 The formulation of academic, physical and financial strategies for the University is the responsibility of the Vice-Chancellor, who will advise and inform the Board of Governors as required. The Vice-Chancellor is also responsible for the following:

- Control of income and expenditure;
- Accountability of staff;
- Appointment, assignment, grading and appraisal, supervision, dismissal and pay and conditions of staff other than the holders of senior posts;
- Custody and control of all resources;
- Determining the basis of and the annual allocation of funds;
- Appointing and removal of Heads of Department.

2.3 **Director of Finance**

2.3.1 The Director of Finance is appointed by the Board of Governors to manage, monitor and regulate the finances, accounts and investments of the University.

2.3.2 The Director of Finance is also responsible for ensuring the following:

- preparing annual capital and revenue budgets and financial plans
- preparing accounts, management information, monitoring and control of expenditure against budgets and all financial operations
- preparing the institution's annual accounts and other financial statements and accounts which the institution is required to submit to other authorities
- ensuring that the institution maintains satisfactory financial systems
- providing professional advice on all matters relating to financial policies and procedures
- day-to-day liaison with internal and external auditors in order to achieve efficient processes.

2.4 **Audit and Risk Committee**

2.4.1 To ensure that its responsibilities are met, the Financial Memorandum requires the Governing Body to establish an Audit and Risk Committee. The Audit and Risk Committee, independent of executive management, has sufficient authority to provide the Governing Body with impartial and authoritative advice on audit related matters. The Audit and Risk Committee operates to formal terms of reference and essentially oversees all of the audit functions affecting the University, including both internal and external audit. As part of this role the Audit and Risk Committee is responsible for co-ordinating and managing both internal and external audit and special exercises and reporting to the Board of Governors on the effectiveness of systems.

2.4.2 The Committee and its Chair are appointed by the Governing Body and is composed of five members with no executive responsibility for the management of the University. None of the members of the Committee are members of the Committee for Estates Infrastructure and Financial Sustainability (CEIFS) and one member has a professional background in finance, accounting and auditing.

2.5 **Committee for Estates Infrastructure and Financial Sustainability (CEIFS)**

2.5.1 The Committee for Estates Infrastructure and Financial Sustainability (CEIFS) is a committee of the Board of Governors, whose primary role is to monitor and control the financial and physical resources of the University.

2.5.2 The Committee is composed of five independent members of the Board of Governors, one of whom is the Chair.

2.6 **Human Resources and Organisational Development Committee**

2.6.1 The Human Resources and Organisational Development Committee is a committee of the Board of Governors, whose primary role is to monitor and control the human resources of the University.

2.7 **Remuneration Committee**

2.7.1 The Remuneration Committee is a committee of the Board of Governors, whose primary role is to make recommendations to the Board in relation to the salaries and terms and conditions of the Vice-Chancellor and other senior staff.

2.8 **Nominations Committee**

2.8.1 The Nominations and Constitution Committee is a committee of the Board of Governors, whose primary role is to recommend the appointment of new members to the Board, and to appoint members to the Board's sub-committees. It also provides advice to the Board on constitutional matters relating to the Instrument and Articles of Government.

2.9 **Budget Holders**

- 2.9.1. To assist him in discharging his responsibilities, the Vice-Chancellor is empowered to designate members of staff as budget holders. Budget holders will be responsible for the control and monitoring of expenditure within budgets allocated to them. The delegation to budget holders will be in writing. Budget holders are responsible to the Vice-Chancellor for ensuring that the action that they take is in accordance with the sections of the Financial Regulations appertaining to their work.
- 2.9.2. Where Budget Holders delegate their authority to another person or persons; these persons shall be termed 'Budget Managers'. Budget Holders are responsible for notifying the Director of Finance of the persons authorised and delegated to be Budget Managers.
- 2.9.3. Budget Holders/Budget Managers must notify the Director of Finance of the delegated person authorised in their absence to have responsibility for cash, keys and signing powers.

3. ACCOUNTING ARRANGEMENTS

3.1 Financial year

3.1.1 The institution's financial year will run from 1 August until 31 July the following year.

3.2 Basis of accounting

3.2.1 The consolidated Financial Statements are prepared on the historical cost basis of accounting and in accordance with applicable accounting standards.

3.3 Format of the Financial Statements

3.3.1 The Financial Statements are prepared in accordance with the Statement of Recommended Practice *Accounting for Further and Higher Education*, subject to any specific requirements of HEFCW.

3.4 Capitalisation and Depreciation

3.4.1 The University has taken advantage of the transitional provisions of FRS 15 and assets are to be retained at their book amount (subject to the requirement to test them for impairment if an indication exists that impairment may have occurred).

3.4.2 Land is freehold and is not depreciated as it is considered to have an indefinite useful life. Buildings are depreciated, on a straight-line basis, over their expected useful lives of 100, 50, 25 or 10 years.

3.4.3 Land and Buildings which were transferred from the Local Authority or have been financed by exchequer funds may be disposed of but the proceeds may only be retained by the University with the permission of the HEFCW as laid out in the Financial Memorandum.

3.4.4 Expenditure incurred on repair, refurbishment or extension of existing buildings will not be capitalised unless it can be demonstrated that the resultant value of the building, on the basis of depreciated replacement value, is greater than the current book value.

3.4.5 Expenditure incurred on the acquisition of assets other than land and buildings will be recorded in the balance sheet where the acquisition cost per item or group of related items is £5,000 or more. Capitalised assets other than land and buildings will be depreciated over their estimated useful life commencing in the year of acquisition, as follows:

Computer equipment and motor vehicles	5 years
General equipment fixtures & fittings	7 years

3.5 **Accounting records**

3.5.1 The director of finance is responsible for the retention of financial documents. These should be kept in a form that is acceptable to the relevant authorities.

3.5.2 The institution is required by law to retain prime documents for six years. These include:

- official purchase orders
- paid invoices
- accounts raised
- bank statements
- copies of receipts
- paid cheques
- payroll records, including part-time lecturers' contracts.

The Director of Finance will make appropriate arrangements for the retention of electronic records.

3.5.3 Members of staff should ensure that retention arrangements comply with any specific requirements of funding organisations such as regional development agencies.

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

3.5.5 All documents relating to European Social Fund (ESF), European Regional Development Fund (ERDF) funded under the 2000-6 Programme must be retained for possible Financial Control visits and all Documentation relating to trans-national European activity - Socrates, Leonardo, Tempus, EU Asia etc - must **be kept in perpetuity unless and until the University receives notification of the last payment by the Commission from the Welsh European Funding Office or similarly qualified authority.**

3.6 **Public access**

3.6.1 Under the terms of the Charities Act 1993, the governing body is required to supply any person with a copy of the institution's most recent financial statements within two months of a request. The Act enables the governing body to levy a reasonable fee and this will be charged at the discretion of the Director of Finance. The institution will also allow members of the public to inspect the statement of accounts during normal working hours, provide copies to local libraries and make a summary available on the institution's website.

3.7 **Taxation**

3.7.1 The Director of Finance is responsible for advising heads of department, in the light of guidance issued by the appropriate bodies and relevant legislation as it applies, on all taxation issues, to the institution. Therefore the Director of Finance will issue instructions to departments on compliance with statutory requirements including those concerning VAT, corporation tax and import duty. The PVC(HR) will issue instructions to departments on PAYE and NI. 3.7.2 The Director of Finance is responsible for maintaining the institution's tax records, making all tax payments, receiving tax credits and submitting tax returns by their due date as appropriate.

3.8 **Financial Management**

3.8.1 The Funding Council requires that the University shall plan and conduct its financial and academic affairs so as to ensure that its total income is not less than sufficient taking one financial year with another to meet its total expenditure and that its financial solvency is maintained.

3.8.2 The University must take all reasonable steps to ensure that it has sufficient financial resources to meet its needs in the form of liquid assets or borrowing facilities or has plans to generate such resources.

3.8.3 In pursuit of its longer term objectives, the University may incur an annual deficit, if;

- The planned deficit has been explicitly approved by its Governing body or through the Finance and General Purposes Committee (FGP), and, either;
- The University has established clear and realistic plans to recover the deficit within a reasonable period of time; or
- The deficit is covered by reserves which can be applied at the discretion of the University.

3.8.4 More specifically, deficits can only be incurred if:

- The University has informed the Funding Council of any deliberate intention to incur an annual deficit. The information should be supplied to the Funding Council as part of the planning process which involves the University's Strategic and Financial plans, including the financial forecasts;
- The University will inform the Funding Council of the likelihood of an unplanned [or greater than planned] annual deficit as soon as is practicable; and
- The University will not have an historic cost deficit in more than two consecutive accounting periods unless there are sufficient discretionary reserves to cover the deficit. A deficit of less than 0.5 per cent of total income as defined in the audited Financial Statements for the year in question, or £300,000, whichever is the lower, will not be taken into consideration for these purposes.

3.8.5 The Funding Council has the power to waive these conditions and substitute others on written application from the University.

3.9 **Audit Requirements**

3.9.1 External auditors and internal auditors shall have authority to:

- access institution premises at reasonable times
- access all assets, records, documents and correspondence relating to any financial and other transactions of the institution
- require and receive such explanations as are necessary concerning any matter under examination
- require any employee of the institution to account for cash, stores or any other institution property under his or her control
- access records belonging to third parties, such as contractors, when required.

The Director of Finance is responsible for drawing up a timetable for final accounts purposes and will advise staff and the external auditors accordingly.

Following consideration by the finance committee, the Financial Statements should be reviewed by the Audit and Risk Committee. On the recommendation of the Finance and Audit and Risk Committees they will be submitted to the Board of Governors for approval.

3.9.2 **External Audit**

The appointment of external auditors will take place annually and is the responsibility of the Governing Body. The Governing Body will be advised by the Audit and Risk Committee.

The primary role of external audit is to report on the institution's Financial Statements and to carry out such examination of the statements and underlying records and control systems as are necessary to reach their opinion on the statements and to report on the appropriate use of funds. Their duties will be in accordance with advice set out in the funding body's audit code of practice and the Auditing Practices Board's statements of auditing standards.

3.9.3 **Internal Audit**

3.9.3.1 The internal auditor is appointed by the Governing Body on the recommendation of the Audit and Risk Committee. The primary responsibility is to provide the Governing Body, Designated Officer and line management with assurance on the adequacy, effectiveness and reliability of the internal control system. Responsibility for the operation of internal control rest fully with line management.

- 3.9.4 The role of the Internal Audit Service is to provide the University's management with independent assurance on the efficiency, reliability and effectiveness of the internal control system. Specifically, the Internal Audit Service has responsibility to review, appraise and report to the Board of Governors through the Audit and Risk Committee on the following:
- The soundness, adequacy and application of financial and other management controls
 - The extent of compliance with, and financial effect of, established policies, plans and procedures
 - The extent to which the University's assets and interests are accounted for and safeguarded from losses of all kinds arising from:
 - Fraud and other offences
 - Waste, extravagance, poor value for money or other cause
 - The suitability and reliability of financial and other related management data developed within the University
- 3.9.5 The University's Internal Audit Service operates to formal terms of reference, in accordance with the HEFCW Audit code of practice
- 3.9.6 The Internal Audit Service will undertake its work in accordance with the requirements of the Government Internal Audit Manual (GIAM).
- 3.9.7 The Internal Audit Service will issue an annual report to the Board of Governors through the Audit and Risk Committee on the activities undertaken during the University's accounting period.
- 3.10 **Disclosure of Interest**
- 3.10.1 At Committee meetings, individuals should disclose all direct or indirect pecuniary or other interests which could influence judgement. Disclosure of interest should be made before an item is discussed at a meeting and the individual concerned should either withdraw from the meeting or not take part in the discussion, as appropriate, for that part of the Agenda. The declaration of interest must be clearly recorded in the minutes of that particular meeting.
- 3.10.2 The Deputy Director Business, Development and Planning maintains a Register of Interests for staff and the Clerk to the Board of Governors maintains one for the Governors. Staff and Governors are required to declare and update any interests they may have which might overlap with the interests of the University. This includes family relationships with consultants, contractors or suppliers to the University, private work and membership of other organisations, statutory bodies, etc. A 'nil' declaration is required if an employee has no interests to declare. Failure to disclose the facts by a member of staff may be regarded as a disciplinary offence, which may prejudice the employee's continued employment with the University. The Register is designed to protect both the University and its employees.

4. BUDGETS AND BUDGETARY CONTROL

4.1 Budget Approval

4.1.1 The Vice-Chancellor is responsible for the preparation of the Annual Budget. This will be presented to the Finance Employment Policy and General Purposes Committee for examination prior to presentation to the Board of Governors.

4.1.2 The Board of Governors will, by resolution, approve the budget. The resolution will specify the surplus or deficit that the Board of Governors is approving on the main account and any changes to reserves. The Board of Governors may not delegate this responsibility.

4.1.3 Budget holders will be notified as to the level of annual allocation they are to receive by 31 July.

4.2 Allocation Procedure

4.2.1 The procedure used to determine funds allocation to each academic department and to central administration is as follows:

- The top slice of Core Income (HEFCW recurrent grant plus fees) is used to provide for annual expenditure. The balance is allocated to departments based on a model which reflects funded target student numbers.
- All other target income is analysed and allocated directly to the departments that generate it.
- Failure to achieve Student or Income Targets will reduce the funding any department is to receive. Such gross deficits will be carried forward to the following year.
- The spending on staff by each department is restricted by staff to student ratios. The balance of income is to cover all other costs of running the department including the expenditure necessary to generate external income from short courses, contracts, and research as well as the payments to associated Colleges for the delivery of home and overseas franchises.

4.3 Financial Planning

4.3.1 The five-year forecast required for the HEFCW is used as an integral part of the University's financial planning. Every year the financial forecasts are revised and amended by the Director of Finance in order to:

- Assess and integrate the University's corporate, academic, financial, estate and other plans;
- Identify any trends in the University's financial position;
- Assess the resource implications of particular strategies;
- Aid management in safeguarding the long-term financial management of the University by highlighting any unfavourable factors revealed by the forecasts.

4.3.2 The revised financial forecast is submitted to the Committee for Estates Infrastructure and Financial Sustainability (CEIFS) for approval before being integrated into the Annual Institutional Plan for the Management Board to ensure the plan is feasible given the resources available. The Institutional Plan must then be approved by the Academic Board and the Board of Governors, prior to being forwarded to the HEFCW in June.

4.4 **Adjustments to Budget**

4.4.1 Virement from capital to revenue expenditure is not permitted under any circumstances. However, virement from reserve to capital can be achieved with the approval of the Director of Finance or his nominee.

4.4.2 Virement between allocated heads of expenditure may be approved by the Director of Finance or his nominee and is reported to the Committee for Estates Infrastructure and Financial Sustainability (CEIFS) through the management accounts, which are subsequently approved by the Board of Governors.

4.5 **Control of Income and Expenditure**

4.5.1. Control of income and expenditure in accordance with the budget will be the responsibility of the Vice-Chancellor, who will present financial reports to the Board of Governors and the Committee for Estates Infrastructure and Financial Sustainability (CEIFS) when required. The Vice-Chancellor may delegate authority to other senior members of staff as he sees fit.

4.5.2 The Director of Finance will be responsible for cashflow forecasting and subsequent management. This should be done so as to reconcile with the overall annual budget.

4.5.3 The Director of Finance is responsible for the presentation of management accounts to include a balance sheet at each meeting of the Finance and General Purposes Committee (FGP).

4.5.4 Spending of the total allocation of departments will be monitored on a monthly basis by the Director of Finance throughout the year.

4.5.5 Where any department is not keeping tight control of spending, the Director of Finance will send a letter of concern demanding a written response detailing what action the department plans to take to rectify the situation. As a last resort, the Director of Finance can stop the processing of any financial transaction undertaken by a department that cannot justify its overspending.

4.6 **Year Ending Balances**

4.6.1 In general unexpended financial allocations may be carried forward from one year to the next, where the University has met all its targets. However, this can only be done in consultation with the Director of Finance.

4.6.2 Where departments have carried over unexpended year-end balances, the Director of Finance may restrict departments from spending the full amount carried over in any one year.

4.6.3 Overspending of not more than 10% of the total allocation of any year may be carried forward to the next financial year so long as there is no underlying trend of continual or increasing overspending. Overspending in excess of 10% will be reported to the Board of Governors for disciplinary action.

4.7 **Budget Holders and Budget Managers**

4.7.1 It is the responsibility of all budget holders/managers to advise the Director of Finance of strategic resource requirements/discontinuation of requirements and any other factors affecting budgets under their control as soon as matters arise.

4.7.2 Budget holders/managers are required to contain their expenditure within their allocations and account for the financial and other resources under their control.

4.7.3 The Director of Finance will provide monthly analysis of income and expenditure on all accounts to budget holders through the computerised APTOS financial management information system. Any budget holder/manager requiring specific budgetary control and reporting training should contact the Finance Department who will arrange for individual training to be provided.

5. ARRANGEMENTS FOR BANKING CASH AND CHEQUES

5.1 Banking and Cheques

5.1.1 It is the responsibility of the Director of Finance to negotiate all necessary arrangements for bank accounts, mortgages, investments and other like matters. The appointment of bankers will be subject to competitive tendering procedures. No other department shall be empowered to operate a bank account.

5.2 Banking Arrangements and Signatures

5.2.1 The University has banking arrangements with:

- Lloyds TSB Bank

5.2.2 Only the Director of Finance has authority to order cheques and is responsible for their safe custody.

5.2.3 The persons entitled to sign cheques and their units are determined by the Board of Governors and are currently:

- The Vice-Chancellor
- The Director of Finance
- The Group Financial Controller
- The Management Accountant/Senior Accountant
- The Head of Student Income and Credit Control

All cheques require one signature, except for amounts over £5,000, when the Vice-Chancellor, the Director of Finance, the Group Financial Controller or the Senior Accountant must also sign.

5.2.5 A bank reconciliation must be prepared monthly for each bank account operated by the University and reviewed by the Group Financial Controller/Chief Accountant/Senior Accountant. Dishonoured cheques should be recorded and followed up by the Group Financial Controller/Chief Accountant/Senior Accountant.

5.2.6 The procedure for banking incoming cheques/cash – is detailed in Section 15 of these Regulations.

5.3 Borrowings

5.3.1 It is the Director of Finance's responsibility to negotiate and manage all University and subsidiary borrowing for which prior written authorisation from the Board of Governors must be obtained.

5.3.2 If the University has any borrowings, a report will be submitted to each meeting of the Committee for Estates Infrastructure and Financial Sustainability (CEIFS) detailing the nature and amounts of the borrowings.

- 5.3.3 The University must meet the following conditions specified by the HEFCW regarding its ability to enter into any borrowing arrangements, and related conditions as required by the HEFCW from time to time:
- The University can demonstrate its ability to repay the finance and to pay interest thereon, without recourse to requesting additional grant from the HEFCW.
 - The University can demonstrate that its ability to maintain financial and academic viability will not be impaired as a result;
 - The University can demonstrate the value to be generated by the transaction whether it involves refinancing, or purchase of any new investments or assets, the acquisition of which is to be financed by the borrowing: and
 - The University can demonstrate that any such new investment or asset acquisition is in accordance with the University's Strategic Plan and, where appropriate, its Estates Strategy.
- 5.3.4 Further, the University shall obtain prior written consent from the HEFCW, before it undertakes a level of capital finance where the annualised costs of all capital finance (being the sum of the servicing and capital repayment costs of each loan or other arrangements spread evenly over the period of the relevant loan or arrangement), or the actual annual cost in any one year of all capital finance would:
- Exceed 4% of total income as reported in the latest audited Financial Statements or of the estimated amount of such total income for the current year if that is lower.
 - Exceed half of the average surplus recorded in the audited Financial Statements for the last three years or half of the surplus forecast for the current year if that is lower. The surplus should be calculated as the historical cost surplus after tax, but before interest payable and other annual capital finance charges.
- 5.3.5 In seeking the HEFCW's approval, the University must demonstrate to the HEFCW in writing its compliance with the conditions specified by the HEFCW regarding its ability to enter into any borrowing arrangement.
- 5.3.6 In assessing total long-term borrowing and total income, all inherited debt which is fully reimbursed by the HEFCW and all such reimbursements shall be ignored.

- 5.3.7 For the purposes of the above, capital finance includes borrowing, finance and operating leases, and other schemes, such as Private Finance Initiative (PFI) projects, where the substance of the transaction is akin to borrowing, in line with the principles of Financial Reporting Standard (FRS) 5 - 'Reporting the Substance of Transactions'. If a PFI project is not covered by FRS 5 because, for example, sufficient risk is transferred or ownership of the asset does not revert to the University, then the HEFCW must be informed where the agreement is of a duration greater than five years and the amount payable per annum is more than 5% of total annual income, or £1million whichever is the lower.
- 5.3.8 Where the University seeks to borrow on the security of any land, building or other asset which it acquired an interest in, or developed, with Exchequer funds provided other than through the HEFCW, the Universities' Funding Council or the Universities' Grant Committee and where these funds were provided subject to a condition which has the effect of requiring the University to obtain the approval of the provider of the funds, the University must obtain prior written consent from the HEFCW where it wishes to raise capital finance on the security of such an asset. In seeking such approval from the HEFCW, the University should demonstrate to the HEFCW in writing its compliance with the conditions regarding all borrowing arrangements, as outlined in previous paragraphs.
- 5.3.9 For short term borrowing the University shall obtain prior written consent from the HEFCW before its negative net cash or cash equivalents, as determined on a cash book basis and as defined in FRS 1: Cash Flow Statements, exceeds the lower of 5 per cent of total income or £2 million.

5.4 **Investments and Treasury Management Policy**

- 5.4.1 The Board of Governors is responsible for approving a treasury management policy statement (based on CIPFA's *Treasury Management in the Public Services: Code of Practice* together with cross-sectoral guidance and sector-specific guidance) setting out a strategy and policies for cash management, long-term investments and borrowings. This will require compliance with funding body rules regarding approval for any secured or unsecured loans that go beyond the general consent levels set out in the financial memorandum. The Board of Governors has a responsibility to ensure implementation, monitoring and review of such policies.

5.4.2 All executive decisions concerning borrowing, investment or financing (within policy parameters) shall be delegated to the Director of Finance and an appropriate reporting system set up. All borrowing shall be undertaken in the name of the institution and shall conform to any relevant funding body requirements. The Director of Finance and his staff are required to act in accordance with CIPFA's *Code of Practice*. The Director of Finance will report to the Board of Governors termly on the activities of the treasury management operation and on the exercise of treasury management powers delegated to him or her.

5.4.3 Up to £1M may be placed with Building Societies having assets in excess of £1 billion. All other individual investments of surplus funds shall only be made in UK government gilts, or with a financial institution that has a Fitch credit rating of F1 or F1+, with a support rating of 1,2 or 3. Up to £3M may be placed with a counterparty having a Fitch credit rating of F1+ with a support rating of 1 or 2. Up to £1M may be placed with a counterparty having a Fitch credit rating of F1 with a support rating of 3 or better. (£5M may be placed with a UK Clearing bank providing they meet the above criteria). Such investments with other institutions must have the prior agreement of the Chairperson of the Board of Governors, the Chairperson of the Audit and Risk Committee and the Vice-Chancellor.

5.4.4 Acceptable investment instruments are:

	Maximum Maturity
Bank, Building Society & Local Authority Fixed Term, year	1
Call & Notice Deposits	
Certificates of Deposit (up to 100% of fund)	2 years
Eligible Bank Bills	6 months
Treasury Bills	6 months
UK Gilts (up to 25% of fund)	5 years
Government & Government Guarantee Bonds	7 years
Eurobonds Fixed Coupon	7 years
Fixed Deposits (up to 100% of fund)	3 months
Permanent Interest Bearing Securities (PIBs) (up to 15% of fund)	undated
Subordinated Debt (up to 25% of fund)	5 years
(based on £6M & retained interest held with Epic Asset Mgt)	

5.4.5 All short-term investments should be one of the above-mentioned instruments, and in sterling denominations. Where appropriate, bank and building society accounts should be arranged so that excess and spare funds are automatically transferred on a daily basis into a single account providing the best rate of interest.

5.4.6 Up to £1,000,000.00 is permitted to be invested in corporate bonds and up to £1,000,000.00 in UK equities contained within the FTSE 350 index, providing such bonds and equities comply with the university's ethical investment policy..

- 5.4.7 Documents of title or certificates showing title to investments belonging to the University may not be lent to a third party for the benefit of the portfolio. Money will not be borrowed on the University's behalf against the security of the investments comprising the portfolio.
- 5.4.8 The Director of Finance shall report to each meeting of the Committee for Estates Infrastructure and Financial Sustainability (CEIFS) the activities and results of the Treasury Management function.
- 5.4.9 All funds will be aggregated where possible for Treasury Management purposes. All balances will be controlled centrally to facilitate cash management.
- 5.4.10 Where an agent is used to manage Treasury Investments, they must be given a copy of the University of Wales, Newport Financial Regulations and be instructed to adhere to them.
- 5.4.11 Endowment fund assets should be invested in accordance with the trust deeds of the endowment funds.
- 5.4.12 Pension fund assets shall be managed in accordance with the relevant pension fund investment strategy.
- 5.4.13 Depending on the liquidity requirements of the University, longer term investments may be held to finance longer-term unfunded pension liabilities. Such investments are to be made in accordance with the University's investment strategy in force from time to time, as approved by the University's Finance and General Purposes Committee (FGP)
- 5.4.14 The amount invested with counterparties from a country outside the UK Shall not exceed 25% of total investments.

6 PETTY CASH

- 6.1 The Director of Finance will, on request, provide departments with petty cash accounts to enable them to finance minor disbursements. Heads of Department shall nominate a member of staff (“imprest holder”) to be responsible for the petty cash account. The names of such staff shall be provided to the Director of Finance.
- 6.2 Where the Director of Finance considers it appropriate he will be empowered to open an account with the University’s bankers for use by the imprest holder who shall not cause such an account to be overdrawn. It will be a standing instruction to the University’s bankers that the amount of any overdrawn balance on an imprest holder’s banking account shall be reported forthwith to the Director of Finance.
- 6.3 No income received on behalf of the University may be paid into an imprest account but must be banked into the University General Account.
- 6.4 Individual payments from imprest accounts will not exceed £100 and will be limited to minor items of expenditure and to such other items as the Director of Finance may approve from time to time and are to be supported by a receipted voucher to the extent that the Director of Finance may require.
- 6.5 Petty cash accounts should **not** be used for:
- Payment to employees, consultants or contractors of sums in relation to their services
 - Reimbursement of travel or subsistence claims
 - Gifts or presents to staff or students
- Any VAT must be properly shown and identified on the receipted voucher.
- 6.6 The Director of Finance is responsible for ensuring that imprest account balances are reconciled with the ledger balances at the end of each accounting period. The Director of Finance will be responsible for arranging general supervision and regular independent checking of petty cash balances (including “off site” locations) at least biannually.
- 6.7 The imprest holder will, when requested, provide the appointed auditors with a certificate as to the state of his/her imprest advance. Where money is handed over by one person to another the recipient must give a proper receipt to the person from whom it is received. Security of the cash float is the personal responsibility of the imprest holder.
- 6.8 Imprest holders are responsible for ensuring that petty cash boxes must be locked and stored with an appropriate record in a secure place when not in use. Vouchers for disbursements must be obtained by imprest holders and forwarded to the Finance Department when making claims for reimbursement.

- 6.9 Keys to petty cash boxes should be retained by the member of staff and not left in the office out of hours. A duplicate key should be sealed in an envelope and given to the Group Financial Controller for safe custody. No other spare keys should exist. On leaving the employment of the University or otherwise ceasing to be entitled to hold an imprest advance, an imprest holder will account to the Director of Finance for the amount advanced to him/her.
- 6.10 At the end of the financial year a certificate of the balances held should be completed by the member of staff responsible for the float and counter-signed by Head of Department.
- 6.11 **Overseas Cash Advances**
- 6.11.1 Overseas cash advance requests received by the Finance Department can only be processed provided the travel has had prior approval by the Dean of School or Head of Department.
- 6.11.2 A petty cash float is held by Finance Department, for payment of out of pocket expenses @ £10.00 per day for staff travelling overseas. All cash advance requests that are paid for from the International Office Budget are authorised by the Dean of International Affairs or the Deputy Vice-Chancellor.
- 6.11.3 All other cash advances for overseas travel are authorised by relevant budget holder.
- 6.11.4 Any additional advances for hotel costs, which cannot be invoiced due to the nature or remoteness of the region, should be agreed in advance by the Director of Finance or his nominee. The expenses will then be paid in advance by cheque and posted to the individual's Staff Expenses Account. Cheques advanced are then allocated once receipts and overseas diary sheets are received in Finance, subject to authorisation by Dean of International Affairs or the relevant Budget Holder.
- 6.11.5 Any requests that fall outside the guidelines above must be approved in advance by The Director of Finance or his nominee.

7. CONTROL, CUSTODY AND SECURITY OF DOCUMENTS

- 7.1 The Vice-Chancellor or his nominee is responsible for the safekeeping of all official and legal documents relating to the University's activities. Signed copies of leases, agreements, contracts, etc., should therefore be passed to the Vice-Chancellor for safe keeping unless specific written authority has been given by the Vice-Chancellor for such items to be retained elsewhere in the University.
- 7.2 Documents will only be released to authorised members of the University and a receipt must be signed by the borrower who will be responsible for its care and safekeeping until its return.

8. PURCHASING AND EXPENDITURE

8.1 Introduction

8.1.1 All purchases are to be made at the most advantageous terms consistent with the desired quality, performance, product life and cost. Fair competition shall be employed and encouraged at all times.

8.1.2 Competitive quotations or tenders must be employed whenever possible and as required by University Financial Regulations. If an existing University or public sector contract is available which has itself been awarded by competitive methods then that agreement should be employed without seeking a further tender. Budget Holders should consult with the Finance Department's Head of Accounts Payable and Purchase Ordering to ascertain the existence of such contracts.

8.2 Controls

8.2.1 The Director of Finance will maintain an up to date list for each cost centre of the officers authorised to sign orders and payment requests and stating any limitations to those powers. Specimen signatures of all authorised signatories must be supplied and the same signature must be fully signed when authorising any expenditure. Staff who process orders or receipts on the Aptos system cannot also be given the authority to sign requisitions. School or Department administrators and secretaries (the main users of the Purchase Ordering Aptos system), should only be given the authority to sign IDT forms or Reprographic Requests.

8.2.1.1 Staff expense forms and payment requests to attend courses, conferences or seminars should be authorised by the Dean/Head of School/Department. Any expense claims or payment requests to attend courses, conferences or seminars submitted by the Dean/Head of School/Department must be authorised by their immediate Line Manager.

8.2.1.2 A Budget Holder can authorise a requisition for rail or car hire providing it relates to legitimate University business or an approved business event. Staff are asked to book in advance to secure cheaper rail fares to avoid paying for full fare tickets on day of purchase.

8.2.1.3 The controls regarding authorisation for SDR events, car and rail hire Related to legitimate University Business or an approved business event will remain the same as detailed above with the exception of Management Board Members, where such documents may be authorised By the PA to Management Board Member if their own immediate Manager is not available, subject to agreed authorisation being recorded On the authorised signatory form.

8.2.2 Official orders shall not be raised for any personal or private purchases, nor shall personal or private use be made of University contracts. Any employee failing to observe this prohibition will be subject to disciplinary procedures.

- 8.2.3 Any employee of the University who has a pecuniary, family or other interest, direct or indirect, in any supplier of goods or services to the University shall be responsible for making a declaration to the Director of Finance to that effect, as stated in Regulation 3.10.2.
- 8.2.4 Official system generated sequential orders will be in a form approved by the Vice-Chancellor and may only be raised on the University's computerised APTOS Financial Management System. Such orders can only be raised on the basis of an internal purchase requisition signed by a member of staff authorised by the Vice Chancellor. The APTOS system will only process orders where there is sufficient budget provision within the respective cost centre.
- 8.2.5 Official orders will be issued for all work, goods or services to be supplied to the University except for supplies of services for periodical payments such as rent or rates, electricity, gas, telephones, water charges and for petty cash purchases. The Catering Department is exempted from this regulation for food purchases, as are the Library for the purchase of books and periodicals and the Estates Department for minor works capital expenditure – see 8.3.6
- 8.2.6 Apart from petty cash, the normal method for paying money due from the University will be by cheque or other instrument drawn on the University's main bank account.
- 8.2.7 All invoices will be held for a minimum period of six years following the year of audit. Details may be transferred to a computerised medium [e.g. disk, CD-Rom] and the originals destroyed if considered practical to do so.
- 8.2.8 All invoices related to European Claims will be kept in perpetuity unless and until the University receives notification of the last payment by the Commission from the Welsh European Funding Office or similarly qualified authority.

8.3 **Procedures**

- 8.3.1 All requisitions must be actioned by the Departmental Administrator in each department. To purchase any item, a requisition form must be completed which can be obtained from the Departmental Administrator. The requisition form lists details of goods required, delivery date required, suggested supplier and date, budget code and order value. If a new supplier is to be used, the Departmental Administrator should complete a new supplier form and forward it to the Accounts Payable Section of the Finance Department with a copy of the company letterhead and address. This form will be reviewed and once approval is given, the new supplier will be set up on the finance system.
- 8.3.2 Staff who place orders without first giving their requirements to the Departmental Administrator to seek authorisation may be personally liable for the consequences.

- 8.3.3 On receipt of a requisition form the Departmental Administrator must check the value of the order to ensure the appropriate contract procedures have been followed and that:
- The requisition is authorised by the Head of Department. It is the Head of Department's responsibility to check the availability of funds
 - The requisition is coded with the relevant budget code
 - Three quotations are attached for orders over £5000 (exclusive of VAT) or unless the items required are available from an existing contract negotiated through the Higher Education Purchasing Consortium, Wales.(see 9.3.1)
- 8.3.4 The requisition form is a two-part document. The white copy is forwarded to the Departmental Administrator. The blue copy should be retained by the requisition originator. All requisitions for computer equipment should go to the IT Centre. All requisitions for furniture and fittings should go to the Estates Department.
- 8.3.5 Upon receipt of the requisition, the Departmental Administrator will check that the requisition has been accurately completed and then import and process the order on the APTOS system. Detailed guidance on purchase order processing is contained within Financial Procedures.
- 8.3.6 The Catering Department when ordering food supplies and the Library when ordering books and journals, simply order through their approved suppliers. Vehicle hire should be requisitioned by the Departmental Administrator in the normal manner using the recommended supplier. White copies of the order requisition and vehicle booking form must be forwarded to the Estates Department Caerleon reception for driving licence details to be verified and for bookings to be made.
- 8.3.7 Rail Tickets (normally standard class see 10.5.2) should be requisitioned by the Department Administrator using the recommended Travel Agent supplier or requested by completing a rail request form and submitting it to the Finance Department for booking via Trainline. Cancellation of issued tickets is subject to an administration charge. Bookings should be made in advance to secure cheaper fares to avoid paying for full fare Tickets on day of purchase.
- 8.3.8 Flight Tickets (normally economy class) should be requisitioned by the Department Administrator using the recommended supplier. Any travel overseas must be approved by Dean of School or Head of Department before bookings are made. Insurance requests for overseas travel must be sent to the Health & Safety Officer. Bookings should be made in Advance to secure cheaper fares and avoid paying for full fare tickets on day of purchase.
- 8.3.9 The Estates Department may, with the approval of the Director of Finance, make arrangements for supplies of goods and services by term contracts, providing such term contracts shall be let by seeking at least three offers or quotations in writing.

8.3.10 In exceptional circumstances, where the normal purchasing and expenditure procedures are not available, and an employee has to use their own funds to purchase goods or services for the University, such expenditure should be reclaimed by completing the miscellaneous section of an expense claim form, supported by receipts. For clarification of exceptional circumstances, advice should be sought from the Head of Accounts Payable and Purchase Ordering.

8.4 **Receipt & Return of Goods**

8.4.1 On receipt of goods the Departmental Administrator is responsible for matching the delivery note to their copy of the purchase order, which should be filed together. The Departmental Administrator should ensure that the delivery note is signed to acknowledge satisfactory receipt. This should be the individual who actually received the goods or service.

8.4.2 For return of goods the Departmental Administrator is responsible for contacting the supplier making arrangement for collection. Goods are to be collected from post room (Caerleon) or Reception Area (CC Campus) and recorded in Campus Services returns log book. If goods have not been collected within 14 days, they will be returned to department with appropriate paperwork.

8.5 **Supplier Invoices**

8.5.1 Supplier invoices should be sent directly to the Finance Department, quoting a valid order number. Invoices are matched against the relevant order number quoted. A payment query memo is issued by Finance to the ordering department if one of the following circumstances is found to apply:

- Non-receipt of order
- Price difference
- Quantity difference
- No costs have been estimated on purchase order

The Finance System will hold this invoice in mismatch until the memo is actioned.

8.5.2 **Payment of supplier invoices.**

Payments to UK Suppliers will normally be paid by computer cheques or BACS Transfer twice per month. Payment terms are 30 days from the invoice date unless a different arrangement is agreed between the supplier and the Finance Department. In exceptional circumstances the Finance Department will prepare cheques manually for urgent payments.

Any requests for payments in advance i.e. Pro-forma over the value of £500.00 must be approved by the Director of Finance or his nominee.

8.5.3 **Late Payment rules.**

The Late Payment of Debts (Interest) Act 1998 was introduced to give small businesses the right to charge interest on late payments from large organisations and public authorities. Key points are:

- Small businesses can charge interest on overdue invoices.
- Interest is chargeable on sales made after 1 November 1998.
- The rate of interest is currently 8% per annum above the official daily rate of the Bank of England.
- The act also applies to overseas organisations.
- The institution can be sued for non-payment.

In view of the penalties in this Act, the governing body requires that invoices must be authorised for payment as soon as they are received.

8.5.4 **Institution Purchasing Cards**

Where appropriate purchases may be made using institution corporate credit cards with the approval of a cheque signatory or card-holder. Such credit cards shall be used for the payment of valid business expenses only, and the misuse of such cards shall be grounds for disciplinary action. The Director of Finance will be responsible for setting in place a system to monitor the use of institution credit cards and account for expenses charged through them. Cardholders should obtain prior authorisation from the relevant budget holder and should ensure there is sufficient budget available.

8.5.4.1 Purchasing Cards

The operation and control of the University's purchasing cards is the responsibility of the Finance Department. Holders of the purchasing cards must use them for the purposes for which they have been issued and within the authorised purchase limits. Cards must not be loaned to another person, nor should they be used for personal or private purchases. The card must be used in accordance with the cardholder manual.

8.5.5 **Payment of External Examiner Claims**

All External Examiner claim forms must be approved and authorised by the Dean of School or Head of Department.

8.5.5.1 **Payment of Examiner Fees**

Post-graduate and under-graduate examiner fees are paid by the Human Resources Department.

PHD and Master Examiner Fees are paid by the Finance Department.

- 8.5.5.2 **Payment of travel and subsistence expenses for staff & External Examiners**
- The Finance Department is responsible for the payment of travel and subsistence costs (please refer to section 10). Valid receipts must support all claims.
- 8.5.6 **Payment of Consultants**
- 8.5.6.1 The University has agreed status rulings with the Her Majesty's Revenue and Customs (HMRC) related to the payment of consultants. Please refer to the 'procedure for engaging workers (including consultants)' on Finance intranet.
- 8.6 **Foreign Payment Requests**
- 8.6.1 The Finance Department has the facility to make foreign payments by bankers draft or bank transfer. The sterling equivalent will be charged to budget.
It is advisable to make payments by bank transfer. Please see Finance web page for further details.
- 8.7 **Staff Development**
- 8.7.1 All staff development activities, other than attendance at meetings and research may be funded by the budgets delegated to departments each year.
- 8.7.2 The policy and procedures for staff development applications and claims, and for the reimbursement of expenses incurred on staff development activities, are detailed within the University's operational Human Resources procedures and within section 10 of Financial Regulations.
- Reference should be made to Human Resources procedures when applying for financial assistance on courses, books etc.
- 8.8 **Desk Top Photocopier Contract**
- 8.8.1 The contract for desk top photocopiers is arranged by the Finance Department. As we have a central Reprographics Department, desk top copiers should be used for small copying requests only, i.e. 10 copies or less. Any higher requests should be sent to the Reprographics Central Dept by completing a Reprographics Request form.
- 8.8.2 In accordance with the contract, machine usage must be maintained in accordance with the maximum capacity for the machine as over-usage of machine can cause breakdown of machine. All desk top photocopiers which are not in a secured area, must be set up with password control.
- 8.8.3 Machine usage will be monitored by the Finance Department and memos issued if Departments are not adhering to the above procedures.

8.9 **Reprographic Paper & Copying Requests**

8.9.1 The Reprographics Department is responsible for negotiating our paper contracts. All photocopying paper must be ordered via the Reprographics Department. Any photocopying requests over 10 copies must be processed via the Reprographics Department by submitting a Reprographics request form, obtained by the Reprographics Dept.

8.10 **Payments to Service Users**

8.11 8.10.1 Payments to Service Users can be paid by cheque or cash providing that the payment complies with Care Council and Her Majesty's Revenue and Customs (HMRC) guidelines - Payment to Overseas Agents

8.11.1 A copy of contract should be given to Finance confirming all contact and overseas payment details of overseas agents.

9. FINANCIAL CONTROL OF CONTRACTS

9.1 Introduction

- 9.1.1 All contracts must be signed and authorised by the Director of Finance. Contracts for the sale of services are to be kept by the Research and Enterprise Department (RED) and contracts for the purchase of services to be kept in the Finance Dept.
- 9.1.2 Where contracts exceed £25,000 only the Director of Finance can sign after taking appropriate financial and legal advice, with the exception for the provision of utilities and services (not including capital expenditure) including water, sewerage, electrical mains power, mains gas, heating oil, telephone services, local rates and postage where the Director of Estates may sign the contract.
- 9.1.3 Where contracts provide for payment to be made by instalments the Director of Finance will arrange for the maintenance of a contract register to show the state of account on each contract between the University and the contractor, together with any other payments and the related professional fees.
- 9.1.4 Deferred payment schemes, such as rentals and leases capable of exceeding one year, must be approved by the Director of Finance, prior to placing an order. A log of these long-term commitments will be maintained in the Finance Department.
- 9.1.5 Payments to contractors on account of contracts will be made only on a certificate issued by an appropriate appointed officer or consultant in charge of the project.
- 9.1.6 Subject to the provisions of the contract in each case every extra or variation will, unless otherwise evidenced to his satisfaction, be authorised in writing by the appropriate appointed officer or consultant in charge of the project.
- 9.1.7 Any variation to the contract where the estimated additional cost exceeds 10% will be reported to the Finance and General Purposes Committee (FGP) Committee. The final certificate of completion of any contract will not be issued until the appropriate appointed officer or consultant has produced to the Director of Estates a detailed statement of account.
- 9.1.8 Adherence to United Kingdom legislation, the European Economic Community Treaty and relevant directives is mandatory. Additionally these regulations must be followed every time the University enters into a contract for the supply of works, goods and services.
- 9.1.9 The public contracts regulations implementing the European Union's Public Procurement Directives place a responsibility on the University to advertise certain types of contract, above pre-determined values, in the Official Journal of the European Communities and thereafter deal with the tendering and award of such contracts using a pre-determined set of procedures and practices. The University's documented procedures and

contract definitions to help ensure compliance with the regulations are detailed within Financial Procedures.

9.1.10 **European Union Tendering Thresholds**

9.1.10.1 A proposed tender will fall within the European Union Tendering Regulations if its estimated vat exclusive value is greater than the prescribed thresholds. The EU has carried out its usual biennial review of financial thresholds for the various directives for Goods, Services and Works, with effect from 1 January 2010 Please refer to website detailed below:

[http://www.ogc.gov.uk/procurement_policy_and_application_of_eu_rules_eu_procurement_thresholds .asp](http://www.ogc.gov.uk/procurement_policy_and_application_of_eu_rules_eu_procurement_thresholds.asp)

9.1.11 The relevant Financial Procedures provide guidance on how to estimate the value of proposed tenders.

9.2 **Contracts less than £5000**

9.2.1 The Head of Department shall make the most suitable arrangements for such contracts based on the priority to obtain best value for money. The Head of Department should always negotiate through the Higher Education Purchasing Consortium, Wales. The only other exceptions are as follows:

- The goods to be purchased are sold at a fixed price irrespective of supplier.
- The price of the goods is controlled by Government regulations or trade organisation.
- The goods can be demonstrated to be only obtainable from a single supplier and no genuine price competition exists.
- The budget holder considers that the work can only be effectively carried out or provided for by the original supplier, e.g. in cases of repairs, spare parts or modifications to existing plant and machinery.
- The items to be purchased are on sale by public auction or at public fair or market. Permission is required to make purchases in this way from the Director of Finance or his nominee.
- The goods are second hand and offer good value for money. Permission in writing is required to make purchases this way from the Director of Finance or his nominee.

9.3 **Contracts between £5,000 and £25,000 - Supplies & Services** £50,000 & £250,000 - Works

- 9.3.1 The Head of Department/Dean of School should ascertain whether the items required are already available from an existing contract negotiated through the Higher Education Purchasing Consortium, Wales or through the Finance Department. If this is the case then the HEPCW contract or contract negotiated by Finance may be used without seeking further quotations.
- 9.3.2 If the item concerned is not covered by an existing contract then the Head of Department must obtain three quotations from suppliers and accept the cheapest quotation unless there is a particular reason not to. The names of the suppliers and amounts quoted are to be included on the requisition form.
- 9.3.3 An offer or quotation which is not the most financially advantageous may be accepted following approval by the Director of Finance or his nominee on receipt of a written report setting out the justification for the acceptance.
- 9.3.4 Appropriate records of the procedures undertaken and the decision made shall be maintained by the budget holders. All quotations received must be retained with the records.
- 9.3.5 For a contract to be awarded to a single tenderer, the written authority of the Director of Finance or his nominee is required prior to acceptance.

9.4 **Contracts over £25,000 – Supplies & Services
£250,000.00 - Works**

- 9.4.1 Contracts whose estimated value is over above the maxim values quoted above must be awarded by one of the following methods selected by the Vice-Chancellor or his nominated representative, in each case:
- Use of nominated supplier under contract as negotiated by the Higher Education Purchasing Consortium, Wales or by Value Wales or OGC.
 - Selective tendering from at least **four** different sources known to be providers of the goods, materials or services.
 - Open competitive tendering by an advertisement in at least one local newspaper and an appropriate trade journal with organisations requesting tender documents being given an opportunity to submit an offer. Contracts in excess of the relevant thresholds have to be advertised in the European Journal.
 - Such other arrangements approved by the Vice-Chancellor in advance if, where contracts are of a specialist nature two or more persons normally engaged in carrying out contracts of a nature similar to that proposed are approached, or where, after considering a report prepared by the responsible

Management Executive member the Vice-Chancellor considers that benefit would be derived from using an alternative method of contractor selection.

- It appears that there is only one possible supplier or that it is for any reason impossible, unreasonable or inexpedient to invite an offer from more than one supplier.

9.4.2 Such contracts shall be subject to the decision of the Vice-Chancellor or his nominee. A tender which is not the most financially advantageous can be accepted by the Vice-Chancellor or his nominee after considering a report of the responsible Management Executive member. Appropriate records of the procedures undertaken and the decision made shall be maintained by the Vice-Chancellor or his nominee after considering a report of the responsible Management Executive member. The Vice-Chancellor or his nominee will report the amending of contracts to the Finance and General Purposes Committee (FGP).

9.4.3. Where the tender to be let is of a complicated nature it is expected that the University would employ a consultant to advise on tender documentation. Such consultation is not necessarily subject to competitive tendering. Utilisation is to be made of such professionals who, in the University's senior staffs' opinion, have previously proven to be efficient and cost effective.

9.5 **Inducements**

9.5.1 It is important that all University staff are seen to be independent, and demonstrate integrity beyond reproach. Therefore, all purchases of goods and services must abide by the ethical code of the Chartered Institute of Purchasing and Supply. Detailed guidance is contained within Financial Procedures and any further required clarification should be sought from the Finance Department.

9.6 **Accepting Business Gifts**

9.6.1 In general, gifts and items for personal use should be declined as acceptance could be construed as forming an obligation. This includes tickets to sporting events or the theatre, birthdays and social functions. This does not include items of very low intrinsic value, which may be accepted – such as business diaries, books, calendars etc – which are part of a supplier's normal marketing initiatives. Any gifts accepted should be declared to the Deputy Director Commercial and External Services for inclusion in the Register of Gifts and Hospitality (see section 9.8).

9.7 **Accepting Business Hospitality**

9.7.1 In general, invitations should be declined, as acceptance could be construed as forming an obligation. However, modest hospitality is considered an acceptable part of business practise. Each invitation should be considered on its own merit. Individuals should consider the

frequency and scale of the hospitality - it should not occur on a regular basis nor on a scale greater than that which the University would be likely to provide.

9.7.2 As a guideline, expenditure up to £100 per head is considered to be a reasonable level for hospitality. If an individual is in doubt as to what constitutes an acceptable level of hospitality, he/she should contact either the Director of Finance or the Group Financial Controller. The prior approval of a senior manager is required before accepting an offer of hospitality. Offers of hospitality should be declared to the Deputy Director Commercial and External Services for inclusion in the Register of Gifts and Hospitality (see section 9.8).

9.8 **Register of Gifts and Hospitality**

9.8.1 Details of any gifts or hospitality accepted by an employee should be recorded in the Register of Gifts and Hospitality, which is maintained by the Deputy Director Commercial and External Services. For hospitality only, details of hospitality offered, and whether or not it was accepted, should be notified without delay to the Deputy Director Commercial and External Services for recording in the Register of Gifts and Hospitality.

9.9 **Personal Inducements**

9.9.1 Personal inducements in any form from suppliers to employees are forbidden and should be actively discouraged. Any instances of inducements being offered should be declared in the Register of Interests kept by the Deputy Director Commercial and External Services.

9.10 **Declaration of Interest**

9.10.1 Any personal interests that could be seen to impinge upon impartiality when making purchasing decisions should be declared in the Register of Interests kept by the Deputy Director Commercial and External Services and be notified to the relevant Head of Department.

9.11 **Offering Gifts Hospitality and Entertainment**

9.11.1 When considering expenditure on gifts, hospitality and entertainment full consideration should be given to specifying the aims and objectives of the exercise and to ensuring that probity and accountability principles are maintained. The University's facilities should always be used where possible and the use of external facilities must receive the prior approval of the Dean of School or Head of Department. The value of the gift should be appropriate to the occasion and should not normally exceed £75. Gifts, and entertainment must not be offered to employees or students of the University as a cost to the University, e.g. flowers as a gesture of sympathy or thanks.

9.11.2 Reimbursement via authorised staff expense claim forms is permitted on the production of receipts for business entertaining expenses necessarily incurred in the performance of the duties of the employment where the intention is to improve recruitment levels by building relations with other

institutions and local businesses and organisations, or for the purpose of enhancing the University's research profile.

9.11.3 Please note that the cost of entertaining staff or colleagues in the same organisation is not considered to be bona fide entertaining.

9.11.4 Expenditure on hospitality and entertainment should be clearly identified on expense claims and not included within amounts for subsistence. An employee who makes a claim for entertaining expenses should be able to support the claim with reasonable records of the amounts spent on particular occasions, the nature of the entertainment, the persons entertained and the reason for the entertaining.

9.11.5 The guidelines for hospitality and entertainment are detailed within these Financial Regulations. Staff should also consult the following relevant sections of operational procedures:

- Catering Section for information on ordering University food (only when external visitors are in attendance)
- Estates Section for information on bedrooms.
- Finance website for claiming expenses/raising orders.

10. SUBSISTENCE AND TRAVEL CLAIMS

- 10.1 Staff are entitled to have specific expenditure reimbursed or paid by the University in respect of business travel to include subsistence costs attributable to the journey where an employee has actually incurred and is necessarily obliged to incur when temporarily absent from their normal place of employment on genuine University business.
- 10.2 In all cases unless otherwise stated, expenditure must be supported by vouchers or receipts, together with true and complete records to include the dates of travel and business need. Home to office travel, costs relating to family, expenses which include a holiday element and of a personal nature are specifically excluded in all cases.
- 10.3 Expense claim forms are available from the Departmental Administrator or Finance Department. These should be completed and returned to the Departmental Administrator together with any required receipts (credit card slips are not acceptable) relating to the expenditure being claimed. Expense claims should normally cover expenditure in one calendar month, and should be submitted as soon as possible after the end of the month. To facilitate checking of claims and to ensure that accounting records are kept up to date, **the claim should be authorised for payment and received by the Finance Department no later than the end of the month following the month in which expenditure was incurred.** (e.g. an authorised claim for February expenditure should be received by the Finance Department before the end of March). Entitlement to reimbursement is dependant on compliance with these timescales. The Director of Finance or his nominee may permit payment of late claims subject to a satisfactory explanation being provided by the claimant.
- 10.4 Where receipts are required but not issued, claims must be accompanied by a memo to explain. It is the responsibility of the claimant to complete forms in a legible and accurate manner. Claims will not be paid without proper supporting documentation for all expenditure.
- 10.5 Business Travel
- 10.5.1 Business mileage may be claimed when additional miles are driven to visit a venue other than the employee's normal place of work, for the purpose of carrying out University business. The amount claimed should be based on the actual journey mileage, but when a journey starts and/or ends at the employee's home, then only the difference in the mileage between the current journey and the normal journey to work should be paid. It is the responsibility of the claimant when using their own vehicle on official duties to ensure that their private motor policy incorporates an extension, which permits business use of the insured vehicle.
- 10.5.2 With the exception of the Vice-Chancellor, standard class should normally be used for rail and air travel (advance booking of different classes is permitted if it results in a lower fare).

- 10.5.3 Where possible air fares should be booked via the recommended travel provider. If bookings are made direct, receipts must be submitted. For low cost airlines a printed copy of the booking reference showing the amount paid will suffice (advance booking of different classes is permitted if it results in a lower fare).
- 10.5.4 When using car hire, only fuel can be reimbursed. Valid fuel receipts must be submitted.
- 10.5.5 Use of taxis for staff should not be booked via the University account. They must be paid personally and claimed back on a staff expenses form with reason for travel and actual receipt.
- 10.6 Once the form has been completed it must be returned to the Departmental Administrator as soon as possible. It is the responsibility of the Departmental Administrator to allocate all expenditure against appropriate cost codes, to check that all costs and expenses have been correctly calculated and to ensure that all expenditure is matched with appropriate receipts (credit card slips are not acceptable). Once the Departmental Administrator has had the form authorised by the appropriate official (normally the Head of Department/School) it will be passed to Finance Department.
- 10.8 Any changes of address must be sent in writing to the Finance Department.
- 10.9 **Mileage Rates**
- 10.9.1 For round trip journeys in excess of 100 miles that will be completed within one day, a hire car should be ordered (through the Estates Department) from the University's recommended supplier. If circumstances make it more cost effective for the employee to use their own car, then they may do so. Any mileage above 10,000 miles in one tax year will be reimbursed, but at a reduced rate. (see 10.9.2)
- 10.9.2 Mileage allowance paid for business miles travelled in the employees own vehicle are detailed below are paid regardless of engine size.
- Motor Cars & Vans:
- | | |
|--|---------------|
| Up to 10,000 business miles | 45pp per mile |
| Over 10,000 business miles in one tax year | 25p per mile |
| Motor Cycles | 24p per mile |
| Bicycles | 20p per mile |
- 10.9.3 If staff members are on University business and travel from their home address then a mileage claim may be submitted if the mileage is greater than the home to normal place of work journey. Please note that mileage

cannot be claimed for any travel between their home and permanent place of work even if outside normal working hours.

The mileage claimed will be the total business trip mileage less the home to normal place of work mileage.

E.g. If you live in Cwmbran and work at Ebbw Vale Campus, and you make a business trip to Caerleon leaving directly from home on the way to work. Your mileage claim would be 26 miles (Cwmbran –Caerleon - Ebbw Vale) less 18 miles (Cwmbran –Ebbw Vale). You would therefore claim 8 miles at the appropriate rate.

Or

E.g. If you live in Bridgend and make a trip on behalf of the University to Bristol leaving directly from and returning to home your mileage claim would be 60 miles (Bridgend to Bristol) x 2 [120miles] less 37 miles (Bridgend to Caerleon) x 2 [84 miles]. You would therefore claim 36 miles at the appropriate rate.

Intercampus – travel. Where an employee is normally based at one campus, then the cost of travel between campuses for business purposes may be claimed for reimbursement in accordance with the following standard mileages (except where they travel to the other campuses on their way to work from home or from work to home and do not incur additional mileage or the difference in mileage can be claimed as detailed above. Senior Management are asked to refrain from claiming intercampus travel.

There are standard mileage rates for intercampus travel as detailed below.

Base	Destination	Single	Return
Caerleon	Tredegar	25miles	50 miles
Caerleon	Ebbw Vale	21 miles	42 miles
Tredegar	Ebbw Vale	5 miles	10 miles
Tredegar	CC Campus	25 miles	50 miles
Ebbw Vale	CC Campus	21 miles	42 miles
Caerleon	CC Campus	5 miles	10 miles

There are standard mileage rates for commonly travelled routes Retained by Finance Department e.g. Teaching Practice

Where an employee's contract of employment requires them to regularly work on more than one campus, and they do not have a campus nominated as their normal place of work or base then the cost of their inter-campus travel is not eligible for reimbursement.

10.9.4 Actual mileage from home to work can be claimed by Governors, volunteers, assessors, external examiners and specialist lecturers.

10.10 **Subsistence Rates**

10.10.1 Reimbursement of actual expenditure incurred whilst away from University premises on approved duties will be made against claims not exceeding the following amounts. However in accordance with the agreed HMRC dispensation, the subsistence allowance can be paid without receipts, subject to the conditions stipulated in the dispensation (see section 10.11). Where the amount incurred necessarily exceeds these limits, then reasonable expenditure can be claimed, providing the claim is supported by valid receipts (credit card receipts are not acceptable).

10.11 **UK Day Subsistence Allowance**

10.11.1 Payments under the rates below for absences from the normal place of work on business where the absence extends beyond 4 hours and straddles a meal break and the employee concerned is more than 5 miles distant from home and the normal place of work:-

Breakfast	£7.00
Lunch	£8.00
Tea Allowance	£7.00
Evening Meal	£15.00

Please note that the above rates payable are subject to the following conditions:-

- a) Breakfast is paid only when the employee concerned is required to leave home before 7.30 am. and actually purchases a meal.
- b) The lunch allowance is only paid when the absence straddles a normal lunch hour between 12 midday and 2 pm.
- c) The tea allowance is only payable where the absence extends beyond 6 pm and before 8 pm.
- d) The evening meal allowance is only payable where the absence extends beyond 8 pm. and the meal is actually purchased by the individual concerned.
- e) Claims are not acceptable for both tea and evening meal allowance.
- f) Claims should not be made where the University has made direct payment or provision for this type of cost, or where staff are entertained at the expense of the

other organisation (such as at a conference, where meals and beverages are included).

10.12 **Hotel Accommodation**

10.12.1 Specific expenditure reimbursed or met by the University upon production of receipts where an employee is necessarily required to stay away from home overnight in hotel accommodation on business. On condition that true and complete records are maintained confirming the dates of travel and business need. The cost of an evening meal and/or breakfast whether taken at the hotel or elsewhere, provided the cost is at a reasonable level and is supported by receipts. If a meal or meals is claimed along with the cost of overnight accommodation then no claim can be made for the same period under the day subsistence allowance. Please contact the Head of Accounts Payable and Purchase Ordering in the Finance Department for guidance.

10.13 **Overnight Stay with Friends or Relatives**

10.13.1 Specific expenditure reimbursed by the University up to a maximum of £30 per night where an employee has necessarily been required to work away from home overnight on business and has stayed overnight with friends or relatives. On condition that true and complete records are maintained confirming the dates of travel and business need, and that the employee has not claimed an expense for hotel accommodation or night subsistence.

10.14 **Overseas Travel and Subsistence**

10.14.1 **Pre-booking Overseas Accommodation**

Accommodation should be booked in advance of overseas travel. Normally this will be done directly by University of Wales, Newport, but may also be arranged by our agents or other contacts overseas. **Please refer to International Office for information.**

10.14.2 **Overseas Expenses**

10.14.2.1 In accordance with the agreed HM revenue and Customs Dispensation the following daily subsistence rates (excluding B &B) can be claimed when travelling overseas, to cover lunch and evening meal, provided they relate to legitimate overseas business travel. This is in addition to the £10.00 out of pocket expenses rate please refer to the conditions set out in section 6.11.

Level A £30		Level B £35	
Lunch £10/	Bangladesh	Lunch £12	Hong Kong

Evening Meal £20	China, Cuba India, Malaysia Pakistan Thailand Ghana Kenya Russia All other EU accession states not specified under levels B or C.	Evening Meal £23	Taiwan USA Brazil Baltic States Canada Spain Portugal Cyprus Greece
Level C £45		Level D - £50	
Lunch £15 Evening Meal £30	Italy, Japan Jordan, Norway South Korea Benelux France Germany Italy Austria Denmark Sweden Finland Republic of Ireland Gulf Countries	Lunch £20 Evening Meal £30	

Please note that the above rates payable are subject to the following conditions:-

Where meals have been provided for the employee at the expense of another organisation, (e.g. the University being visited) then no claim for subsistence should be made.

Any additional countries not covered by above dispensation for overseas travel can now be sought from the HMRC web page.

10.15 Work Related Training Days (Including Away Days) and other events Only involving University Staff and Governors.

10.15.1 Work Related Training Days (including Away Days)
All work related training days (including Away Days) may be held on site or off site provided that the costs of using the off site venue are at or below £150 and do not involve an overnight stay, and no food or refreshments are to be provided for these days or internal meetings unless external visitors are in attendance.

10.15.2 Events only involving University Staff and Governors
Food will not normally be provided for events which are exclusively attended by University staff (i.e. no external visitors are present). In certain circumstances, if approved in writing by the University Executive prior to the

event occurring, the food may be ordered from the University's Catering Department.

10.16 **Attendance at Business Functions**

Payment or reimbursement of the actual cost of attendance at business functions is permitted where the attendance is to increase the University's profile in the business community.

10.17 Authorisation of Expenses

10.17.1 All expenses claims must be authorised by a member of staff who is the budget holder or an authorised manager. The person authorising the claims should also be in a more senior position. E.g Head of Department's expenses should be authorised by the Dean etc. No member of staff should authorise his or her own expenses. For expenses related to Staff Development an authorised copy of the SD1 claim will be acceptable, if the costs are the same.

10.17.2 All expense claims and advances will be payable subject to verification by the Finance Department. Where claims appear unreasonable or are not correctly authorised or completed, they will be returned unpaid.

Checking by Finance Department staff does not remove the responsibility on the authorising signature for ensuring that the claim is in accordance with these regulations.

10,17.3 Reimbursement of personal subscriptions to organisations is only permitted In certain circumstances if approved by a member of the University Executive.

11. INTER-DEPARTMENTAL TRANSFERS

11.1 Departments may transfer goods to each other. When doing so they must fill in a four-part inter-departmental transfer note [IDT]. This covers such items as:

- Hospitality
- IT consumables
- Other consumables
- Reprographic requirements (which has its own form)

11.2 No money physically changes hands, but the buying department's budget is decreased by the cost and the supplying department is credited with the income. It is the responsibility of the Departmental Administrator to ensure the amount debited to its budget is correct and was appropriately authorised.

11.3 IDT forms must be submitted within one month of occurrence to allow For timely accounting.

12. METHODS OF FINANCING

- 12.1 All available methods of financing should be considered when acquiring goods or services. In general, outright purchasing of items is preferred. However, this is not always the most appropriate approach.
- 12.2 Hiring of items should be considered where the relative cost of hire is preferable to purchase, especially when considering the useful life of an item to the University, and convenience. Leasing may be appropriate where the useful life of an item to the University is well within the actual life of the item and there are high disposal/maintenance costs or the risk of obsolescence exists.
- 12.3 The Director of Finance should be consulted on all financing options under consideration.

13 STOCKS AND STORES CONTROL

13.1 Heads of department are responsible for establishing adequate arrangements for the custody and control of stocks and stores within their departments. The systems used for stores accounting in departments must have the approval of the Director of Finance.

13.2 Heads of Department are responsible for ensuring that regular inspections and stock checks are carried out. Stocks and stores of a hazardous nature should be subject to appropriate security checks. Those heads of department whose stocks require valuation in the balance sheet must ensure that the stock-taking procedures in place have the approval of the Director of Finance and that instructions to appropriate staff within their departments are issued in accordance with advice issued in year end procedures.

14. SALARIES AND WAGES

14.1 All University employees shall be paid according to the salary scales approved by the Board of Governors. An employee is defined as a person employed, whether part-time or full-time by the University under a contract of employment.

14.2 All letters of employment or variations in conditions of service must be issued via Human Resources and all payments of salaries and wages must be through the Salaries and Wages Office, (within the Human Resources Department).

14.3 The Payroll Manager (Salaries and Wages, Ext 2173) is responsible for the payment of all salaries and wages and for the administration of all pension schemes. Heads of Departments/School are responsible for ensuring that time sheets and other relevant records are completed and submitted to Salaries and Wages. All documents should be certified by the Head of Department/School or another authorised signatory. Employees are paid monthly, always in arrears.

14.4 Heads of Department/School must ensure that all payments for overtime are strictly controlled, permitted only in exceptional circumstances and have been approved in advance of the time worked. Time sheets showing any element of overtime working must have appended a clear explanation of the reasons for the authorisation of such work.

14.5 Any changes in circumstances such as:

- Personal data
- Wage rates
- Working hours
- Holiday allowance
- Tax status
- Any other factors affecting salaries and wages
- Bank details

must be put in writing and sent to the Human Resources Department. In the case of personal data and bank details, it is assumed that individual members of staff will inform the Human Resources Department.

14.6 The University is required to return to the Her Majesty's Revenue and Customs (HMRC) details of any benefits in kind provided for employees or their families. The value of any such benefits, properly authorised and duly provided, should be reported to Human Resources (ext.2173) annually at the end of each tax year, i.e. by 5 April.

These benefits include:

- The provision of living or other accommodation, including light, heat etc.

- The use of any asset provided by the University, for example use of office, photocopier, computer, car, secretarial services, mobile phone etc.
- The provision of fuel for private motoring in a provided car.
- Gifts or assets or the sale of assets at less than market value to any employee.
- Any expenses or liabilities incurred by an employee not in the course of his/her duties and paid direct by the University, for example hotel or restaurant bills.
- Scholarships awarded to students by reason of their parent's employment at the University.
- Benefits or facilities arranged by the University, for example hotel accommodation, restaurant facilities, holidays, childcare etc.

14.7 The University is also required to report any benefits in kind, as per the foregoing examples, that have been provided by someone other than the University, for employees (or members of their families or households), as a result of their University employment. These benefits should be notified to the Payroll Officer (Ext 2818) annually by the 5 April (for the previous tax year).

14.8 Under income tax self assessment staff are reminded that they are required to retain such documentation as is needed to complete their personal tax returns, i.e., copy payslips, forms P60, P45 etc. Copy P60's and copy P45 cannot be issued. Copy payslips will only be issued in exceptional circumstances.

15. INCOME

15.1 Introduction

15.1.1 The Director of Finance is responsible for ensuring that appropriate procedures are in operation to enable the University to receive all income to which it is entitled.

15.1.2 The Director of Finance shall be responsible for the prompt collection, security and banking of all funds received.

15.1.3 Each budget holder will furnish the Finance Department with such particulars in connection with work done, goods supplied, services rendered and of all other amounts due as may be required to record correctly all sums due to the University and to ensure the prompt rendering of accounts for the recovery of income due.

15.2 Custody of Income

15.2.1 All money, with the exception of the Catering Department, RED, Library, Sports Centre and Students Union and any other dept authorised to use a credit card terminal is to be received through the Finance Department.

15.2.2 Cheques and cash will be banked from the Caerleon campus on a daily basis and from the CC campus on a twice weekly basis. Where daily banking is not possible, the member of staff collecting cheques and cash is responsible for their safe custody. Banking should take place within one week of receiving the cash or cheques.

15.2.3 Cheques and cash should be retained in a safe in the Finance Department at night and whenever the office is left unattended.

15.2.4 The key to the safe should be retained by the Cashier and a duplicate key by a senior member of the Finance Department staff.

15.2.5 No spare key should be left in any position, concealed or otherwise, in the office.

Under no circumstances should any monies collected by the University be used to cash staff personal or third party cheques, nor should any amounts be used for any unofficial purposes.

15.3. Receipting of Income

15.3.1 Post is opened by the Finance Department administrator who will pass on any money received immediately to the Cashier, who will receipt any such monies through the computerised Finance System.

15.3.2 Receipts must be made out for all monies received. A copy should be given to the person handing over the income and another copy should be retained.

15.3.3 Individuals or departments that are likely to receive monies should request a Cash Receipt form from the Finance Department, which must be properly completed and passed to the Finance Department together with the income received in order that it may be banked, on a timely basis. All such monies must be recorded through the Finance Computer System.

15.4 **Banking of Income**

15.4.1 All monies collected at the Finance Department will be banked on a daily basis.

15.4.2 All monies collected by Departments on behalf of the University should be passed to the Finance Department, as outlined in the previous section on 'Receipting of Income'.

15.4.3 Monies received in the Students Union, Sports Centre and Catering Department should be counted, bagged and sent to Finance Department to be collected by Loomis. See 15.2.2.

15.4.4 Receipt books and paying-in books should be kept in a locked drawer or safe, and responsibility for their custody delegated to an individual member of the Finance Department or the Cashier. Used receipt books and paying-in books should be retained for a period of six years to comply with the requirements of HM Customs and Excise.

15.4.5 The Internal and External Auditors will check the receipt books, the records of cheques received and any cash and cheques currently held from time to time and report any discrepancies to the Director of Finance.

15.4.6 Income received from machines such as IT printing and Pay and Display Car Parking must be delivered to the Finance Department for counting and reconciliation to machine readings. The income is then bagged and recorded on the Finance system and banked as soon as possible within the next few days depending on the weight of the collection.

15.5 **Sundry Income**

15.5.1 Other main sources of income are:

- Sports Hall
- RED
- Catering
- Library
- University shops
- Payphones
- Accommodation – Landlord Fees/Laundry Commission/Short Stay
- IT Printing Fees
- Car Parking Pay & Display Charges

15.5.2 Catering income is received and banked directly by the Catering Department.

15.5.3 Other income must be passed on to the Finance Department for banking. See procedures on custody, receipting and banking of income.

15.6 **Money Laundering**

15.6.1 All staff must comply with the regulations laid down by the Money Laundering Regulations 2007 (SI2007 No.2157), with effect from 15 December 07.. To this end, all Finance Department staff and any other staff who deal with income must familiarise themselves with the University of Wales, Newport policy on Money Laundering.

15.6.2 The requirements of the regulations must be complied with in the following areas:

- Identification Procedures
- Record Keeping Procedures
- Internal Reporting Procedures

15.7 **Sales Ledger:**

All forms of income requiring collection e.g. Sports Centre fees, International Franchise fees, Miscellaneous fees etc will be collected Through the Sales Ledger.

An invoice will be raised once the Finance Income Section has received An authorised, fully completed, official request form.

Invoice requests must be received by the Finance Department four Working days prior to the end of any given month, to ensure the invoice Is raised and credited to the Sales Ledger account and income code Detailed on the form for that specific month.

Income received in the form of cash, cheque or BACS will be Posted to the invoice on the University's sales Ledger accounts. Paid Invoices are then transferred to the paid file.

At the end of each month and Aged Debtor report is run and the following Procedures are recorded against each customer account.

30 Days only	Statement only
30-60 Days	Statement & Overdue Letter
30-90 Days	Statement & Very Overdue Letter
90 Days & over	Statement & Extremely Overdue Letter

Once the final payment period date has been passed, which is issued with the extremely overdue letter, the debt is referred to the Debt Control Officer for further action and if required referral to a Debt Collection Agency.

Copies of statements and overdue letters should be filed and retained For audit purposes.

16. STUDENT FEES

16.1 Procedure for Setting Student Tuition Fees

16.1.2 The Director of Finance is responsible for setting student tuition fees for the coming year, in the form of a paper which is submitted in March to the Board of Governors for approval.

16.1.3 The paper takes into account:

- Guidance from the Council of Local Education Authorities for full time non designated courses and overseas courses
- Guidance from the Department for Education and Skills for other full time courses
- Recommendations from Deans of Schools on fees to be established for part time courses

16.1.4 In respect of part time fees, Deans of Schools are required to submit returns to the Finance Department/External Affairs early in the Spring Term listing proposed fees for the forthcoming year.

16.1.5 Any amendments to the approved fee levels are submitted to the Board of Governors in October for approval. No further amendments to fees are permitted.

16.2 Collection of Student Tuition Fees

16.2.1 All students are required to complete an enrolment form prior to registration, whereby they confirm that the information they have given on the form is correct and they agree to abide by the University regulations

16.3 Full Time Students

16.3.1 All full time home students need to apply to their LEA to be assessed for fee payment and eligibility for a Student Loan/Student Fees Loan. This application has to be made annually.

16.3.2 European Union students need to apply to the Department for Education and Skills for financial assistance with their tuition fees. Again this needs to be done annually.

16.3.3 When a student enrolls they need to produce documentary evidence from either their LEA or DfES, to confirm the amount of financial assistance they are getting with their fees.

16.3.4 Failure to provide this information by 1st November, will mean the student pays 50% of the fees at enrolment, a refund will be made if financial sponsorship is confirmed.

16.3.5 All fees are paid via the Student Loans Company from information received from LEA's and HEI's. Invoices need only be raised on students sponsored by the Channel Islands and the Isle of Man.

- 16.3.6. At present regulations state that a student must be in attendance as at 1 December before a claim for fees can be made. It is, therefore, the responsibility of the Income Section of the Finance Department to ensure that fees are entered on a student's record and it is the Data Services Department's responsibility to complete SLC return to ensure payment.
- For all other students:
- 16.3.7 Tuition fees payable by the student should be collected in the following manner: Charges of less than 50% of the full time fee are to be paid at enrolment. Charges in excess of 50% of the full time fee can be paid as follows: 50 % of the full time fee at enrolment and the balance by 31 January.
- 16.3.8 Students are now also offered the facility to pay tuition fees by direct debit over 5 monthly instalments (October to February), provided their fee debt amounts to more than £250.
- 16.3.9 Overseas students will mainly be self-paying and must pay at least 30% of the tuition fee at or before enrolment, the balance should be paid by 31 January. In cases where a student has a more flexible method of payment or a reduced fee, this will be agreed with the International Office.
- 16.3.10 Collection of all full time tuition fees is the responsibility of the Income Section and any disputes over payment should be initially referred to the Head of Student Income and Credit Control and ultimately to the Director of Finance.
- 16.4 **Part Time Students**
- 16.4.1 Students fall into two categories, sponsored and self-paying.
- 16.4.2 Sponsored Students
- 16.4.2.1 Upon enrolment, the student must either submit a letter from the employer or a University sponsorship form completed by the employer in which liability to pay the student's fees is acknowledged.
- 16.4.2.2 Any student who does not have evidence of sponsorship of fees is required to agree by signature to the statement that he/she accepts personal responsibility for the payment of tuition and registration fees.
- 16.4.2.3 The Finance Department will invoice the sponsoring body at the end of the enrolment period.
- 16.4.3 Self Paying Students
- 16.4.3.1 University policy is such that tuition fees should be paid at enrolment. However, a student can also pay their fees by direct debit over 5 monthly payments, provided the fee exceeds £250. In the case of financial hardship a P/T student maybe allowed to pay in two instalments similar to F/T students.

16.5 **Overdue Fees**

16.5.1 Students who fail to adhere to payment schedules agreed with the Income Section, and who fall into arrears with their tuition fees, can be excluded from University facilities, such as MLE e-mail, library etc. In certain cases the University reserves the right to exclude students from tutorials and lectures, or any other kind of teaching facility until the debt is cleared.

16.5.2 In the event of a student still being in debt at the end of an academic year, they will have their results withheld.

16.5.3 Any student with a debt to the University will not be allowed to re-enrol on a course until the debt has been cleared, or a repayment schedule agreed with the Income Section.

16.5.4 Any student who has not paid an account for fees or any other item owing to the University, may not be eligible to have a degree conferred or otherwise to receive an award of a diploma or certificate or other qualification from the University until the account has been paid.

16.5.5 The University reserves the right to charge an administration fee in the event a debtor's account is passed to an external collections agency to pursue. The minimum charge is £25 or 10% of the value of the debt if above £250.00. The administration charge will be applied to the value of the debt before it is referred to the debt collection agency, who will pursue the full amount debt and administration charge.

16.6 **Unemployed Students**

16.6.1 Part Time Courses

16.6.1.1 Students who enrol on a part-time undergraduate course at the University may have their tuition fees waived if they meet the following criteria.

- The student's 'family' must be in receipt of Jobseekers Allowance or Income Support, W.T.C., Housing Benefit or Council Tax Benefit or Incapacity/Disablement Benefit or State Retirement Pension as their only form of income.
- They must provide the University with documentary evidence to confirm the benefit.

16.6.2 Full Time Courses

16.6.2.1 There are no waivers for full time students who are in receipt of benefit as students are now eligible to apply for Tuition Fee loan via the Student Loan Company.

16.6.2.2 Any other charges related to the course, i.e. registration, residential weekends etc. must be paid by the student before they can be enrolled.

16.6.2.3 Any student who gains employment during a course will be expected to pay the following terms' fees, e.g. employed November – Spring and Summer Terms' fees to pay.

16.7 **Refund of Fees**

16.7.1 There will be no refund to students unless the appropriate application form has been completed.

16.7.2 In cases where a course is closed by the University, a full refund will be made.

16.7.3 Part-Time Students

16.7.3.1 A refund of fees (or proportion thereof) may be considered for self-paying students in the event of the following:

- Where a student withdraws from a course within four weeks of its commencement, a full refund will be made. (In such cases, there may be an administrative charge deducted from the refund).
- Where a student withdraws and registration and/or residential weekend charges were paid in advance and no costs have been incurred by the University.
- Where a student has paid the full fees and withdraws from the course, refunds will be assessed on a termly basis, i.e. withdrawal in the Spring Term only one term refunded.

16.7.3.2 In the case of the second option above, students must have left the course early enough not to have incurred the cost of one or both charges.

16.7.3.3 There will be no refund of fees to sponsored students.

16.7.4 Full Time "Home" Students

16.7.4.1 In the case of LEA sponsored students, where a student withdraws prior to 1 December no fees are paid by the LEA. Cases where a student withdraws after this date the full fee is retained by the University.

16.7.4.2 In the case of self-paying students, refunds will be made only on a termly basis. That is to say that once a student has started lectures in a specific term, he/she will be expected to pay the full term's fees.

16.7.4.3 In the case of sponsored non-LEA students, refunds will be treated as for self-paying students.

16.7.4.4 In the case of students who have taken out a tuition fee loan, refunds will be made as follows: Students must be in attendance at the University on the 1 December of a given year to qualify for refund. The students refund will be made on a termly basis that is to say once a student has started lectures in a specific term he or she will be expected to pay the full term's fees. The refund will not be paid to the student but the University will inform the Student Loan Company of the student's reduced liability for fees on a notification of student's change of circumstances form. This

notification will in turn result in the loan being reduced by the refund amount and the Student Loan Company clawing back from the University the excess fees paid by the loan. As a result the student's liability for repayments to the Student Loan Company will be reduced accordingly.

16.7.5 Overseas Students

Overseas deposits will vary from £2500 to 50% of the course fees, depending on the student's county or origin.

- Overseas students who fail to commence their course and whose fees have already been paid will receive a refund net of their deposit.
- The deposit will only be refunded in the cases of students who have been unable to obtain a visa. In these cases, an administration fee of £250 will be deducted from the refund.
- Postgraduate students who withdraw part way through their course will be charged a pro rata amount based on the total amount of credits that they have studied compared to the full course credit score.
- Undergraduate students will be charged a pro rate amount per term, depending on when during the academic year they withdraw. Students who transfer to another institution will forfeit their deposit and any other credit will be directly transferred to their new institution, not to the student.

- 17. STUDENT ACCOMMODATION CHARGES**
- 17.1 Procedure for Setting Student Residential Fees**
- 17.1.2 Residential fees for the year will be set by the Director of Estates and the Director of Finance.
- 17.1.3 They will be inclusive of all bills and permit free use of the campus laundry facilities.
- 17.1.4 The fee rates are approved in March by the Board of Governors. Once approved, residential fees cannot be altered during the year.
- 17.2 Collection of Student Residential Fees**
- 17.2.1 Students will be advised by the Accommodation Office of their payment rates and schedule when the offer of a room is made and then again at the signing of the accommodation contract.
- 17.2.2 Students are offered various methods of payment for their accommodation fees. They can make a one off payment at the start of the year, they can pay three termly instalments, or then can pay by Direct Debit over 3 termly instalments.
- 17.2.3 All students are offered an early payment discount, if payment is received by a specified date. Also, students paying the full fee at the start of the academic year will be given a full fee settlement discount.
- 17.2.4 Once the final date for payment has been reached, for termly payment, the income section will write to students regarding the outstanding debt. Actions will then escalate in line with the Universities debt collection policy.
- 17.2.5 In exceptional circumstances, typically late receipt of grant cheques, discount availability and final payment dates may be extended.
- 17.2.6 Ultimately, any defaulting student can be prevented from continuing a course, sitting examinations, or graduating at the discretion of the Vice-Chancellor
- 17.3 Contracts**
- 17.3.1 A student will be released from a contract when withdrawing from the University, although a number of additional weeks' fees will be levied.
- 17.3.2 If a student wishes to be released from a contract for any other reason, the Student Accommodation Officer will bring this to the attention of the Director of Finance, who will decide whether a student may be released from a contract and authorise an amendment of fees.

18 UNIVERSITY COMPANIES

18.1 Introduction

18.1.1 No steps shall be taken, including the establishment of companies, to exploit any University activity without the specific approval of the Board of Governors.

18.1.2. The acquisition of shares in a company must be authorised by the Director of Finance who should obtain the agreement of the Directorate and the Committee for Estates Infrastructure and Financial Sustainability (CEIFS) prior to purchasing the shares.

18.1.3 The University has two wholly owned subsidiary companies which are registered under the Companies Act.

18.1.4 The Director of Finance is responsible for ensuring that the Annual Returns reach Companies House by the due date.

18.2 University of Wales, Newport Enterprises Limited

18.2.1 University of Wales, Newport Enterprises Limited (formerly ACES Limited), a Company Limited by shares and wholly owned by the University, was established with the objective of optimising the University's taxation situation.

18.2.2 This Company is utilised by the University to channel income derived from commercial activity such as the provision of training and consultancy services. University of Wales Newport, Enterprises Limited also acts as a prominent contact point for external customers and agencies.

18.2.3 University of Wales, Newport Enterprises Limited has its own Board of Directors, which comprises staff of the University and a member of the Board of Governors.

18.2.4 The Board is served by the Deputy Director Business Development and Planning

18.2.5 A meeting of the Board of Directors must be held at least twice a year.

18.3 CAERLEON AND NEWPORT ENTERPRISES LTD (CANE)

18.3.1 CANE Limited was established to procure finance for, and manage the construction of student accommodation on the Caerleon Campus.

18.3.2 This Company is now dormant as its objectives have all been satisfied and financing all repaid.

19 INCOME GENERATION ACTIVITIES

19.1 Definition

'Income Generation Activities' fall into two distinct categories, firstly, commercial work and secondly, technology/knowledge transfer and economic development projects.

19.1.1 The first category, commercial work, encompasses:

- short courses/training/CPD
- distance learning
- consultancy
- contract research
- exploitation of intellectual property through mechanisms such as licensing,
- equipment related services, for example, analysis and testing or hiring out of technical equipment and facilities,
- conference and events services,
- validation services such as the validation of a company's in-house training programme.

These services are delivered with the aim of achieving a financial contribution to the University in furtherance of its educational mission.

Income from validation of university courses and franchise activity is not included in this category and will be recorded separately and sit outside income generation targets managed by Commercial and External Services (CES).

19.1.2 The second category, technology/knowledge transfer and exchange, and economic development projects, encompasses a range of grant funded activity such as:

- Knowledge Transfer Partnerships (KTPs),
- GO Wales,
- A4B (Academics for Business)
- Work Based Training for Adults.

Grants from a variety of different sources are utilised to fund these types of projects. Sources include the EU (such as the European Regional Development Fund and the European Social Fund), the Welsh Assembly Government (WAG), the Research Councils, and the Technology Strategy Board.

19.2 The Role of Commercial and External Services (CES)

19.2.1 To develop a strategy associated with income generation activities.

- 19.2.2 To liaise with external clients and stakeholders raising the profile of the institution and seeking and identifying opportunities for income generation and external funding.
- 19.2.3 To promote and oversee income generation activity within the institution.
- 19.2.4 To support commercially active staff by managing the business planning procedures for commercial work including identification of potential products, services and markets, market research, costing, pricing, contracting, invoicing and debt collection.
- 19.2.5 To research and disseminate information on new tender and funding opportunities.
- 19.2.6 To assist academics with the writing of income generation proposals for external funding, particularly with regard to costing and eligibility criteria.
- 19.2.7 To provide project management support for externally funded activities, namely:
- Progress chasing – reminders about deadlines, completion of timesheets, achievement of outputs, etc
 - Regular liaison with funding agencies on progress and problems
 - Recording and monitoring staff time and other expenditure against budget for the project
 - Compiling financial claims and written progress reports for funding agencies
 - Attending project meetings for internal and external purposes
 - Ensuring adequate procedural frameworks that will meet external audit requirements.
- 19.2.8 To support the development, planning, marketing and invoicing of short courses and training activity as specified in the short course process:
- Conducting market research to assess demand and identify market opportunities
 - Supporting Faculties to define course portfolio, mode of delivery, trainers and dates for delivery
 - Costing and pricing of courses, including discounts, contribution targets, delegate numbers, and assisting with the completion of Costing and Pricing Form for approval of projects and authorisation to raise budget code(s)

- Liaising with Marketing on marketing activity such as design of literature, mail shots and online listings
- Dealing with all incoming business development and income generation related enquiries, which will be passed to BDP from the University Information Centre (UIC).
- Liaison with clients to assess needs, produce business proposal and negotiation to close deal
- Raise sales invoices and process card payments
- Following up key customers to check on satisfaction with provision and explore possible further business opportunities.

19.2.9 To report to external agencies and stakeholders on innovation and engagement activity, for example, the Higher Education Business and Community Survey (HEBCIS).

19.2.10 To provide financial management reports on income generations activities.

19.2.11 To attend regular School Knowledge Exchange and Enterprise Committee (SKEEC) meetings

19.3 PROCEDURES FOR COMMERCIAL WORK

19.3.1 Costing and Pricing

19.3.1.1 Before any negotiation with external organisations regarding the price for commercial work, a Project Costing and Pricing Form must be completed by the Business Development Manager and Project Lead, and approved by the Executive Dean (or their named delegate) and the Deputy Director of Commercial and External Services. Project Costing and Pricing forms are available from the Business Development Managers in Commercial and External Services(CES).

19.3.1.2 The purpose of the Project Costing and Pricing Form is to enable staff to calculate the full cost of commercial or 'services rendered' projects. This is in accordance with Higher Education Funding Council for Wales' (HEFCW) directive to all HEIs which states: "In determining the price to be charged for research contracts, residences, catering, and other external services, the Institution shall have regard to the need to assess and recover full costs unless the Institution considers it appropriate to do otherwise having regard to the circumstances of particular cases. The Institution should ensure in such circumstances that it is aware of the extent to which it will be providing its own resources towards the cost of the activity."

19.3.1.3 The rates which are indicated on the Project Costing and Pricing form for staff costs do not indicate how much the University will pay those individuals who have worked on the job; staff costs relate to the actual cost to the University. Academic staff are permitted to undertake "income generating activities" under their main professional contract. The

negotiation and implementation of this contract is for the School or department to resolve individually according to University guidelines.

19.3.1.4 A member of staff may wish to discuss with external organisations details of the programme of work and staffing requirement but the appropriate price to be charged for the work can only be determined after calculating full costs in consultation with CES and the Project Costing and Pricing Form has been approved by all designated signatories.

19.3.2 **Client Proposals and Tenders**

19.3.2.1 Client proposals and responses to invitations to tender should be prepared with Business Development Managers and clearly define what will be delivered and by when. As a guide, the following points should be addressed in any project proposal to be sent to a client:

- Ensure the proposal suits the client's brief
- Provide a detailed breakdown of the proposal to include what will be investigated in each stage; number of days proposed per stage, for example, 2 days for initial market research covering the areas of....; state if the involvement of the company or organisation is required for any stages of the project, for example, staff interviews
- State the format the project will be delivered in, for example, written report.
- For long projects it is best to define when specific stages will be delivered such as initial findings, draft report or initial designs, written report, full presentation.
- Define project price, for example, 4 days consultancy at £500 per day + VAT (at the prevailing rate) = £2000 + £400 = total project price of £2400 including VAT (at 20%).
- Include a profile of the person(s) who will be undertaking the work for the client.
- Call to action - what the client should do next.

19.3.2.2 The Business Development Manager will discuss the project proposal with the client to ensure they are satisfied and it is clear to both parties what is involved. Sometimes it is necessary to negotiate with the client regarding the content of the project or the price. Approval from the Executive Dean (or their named delegate) and the Deputy Director of Commercial and External Services is required before negotiating pricing and/or terms of engagement.

Where a proposal is to be delivered in collaboration with an external organisation Due Diligence may need to be undertaken on the

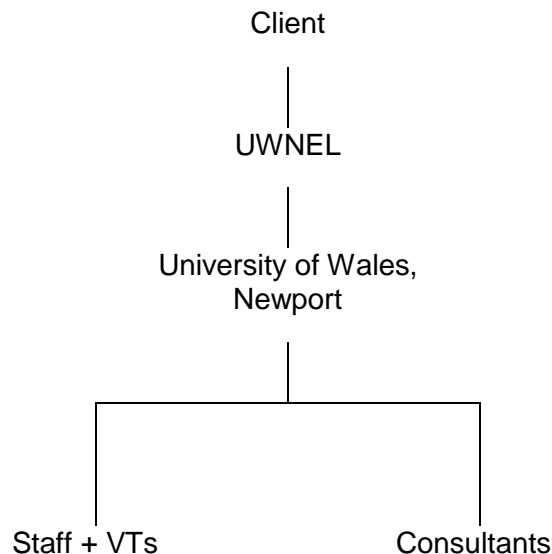
collaborative partner. This will be led by CES and the project should not proceed until this has been satisfactorily completed.

19.3.2.3 When agreement is reached on the project content the client should be given a copy of the finalised proposal.

19.3.3 **Standard Contracts**

19.3.3.1 The decision about whether to channel the income through University of Wales, Newport Enterprises Limited or University of Wales, Newport will be taken by the Deputy Director of Commercial and External Services after discussion, if required, with the University's VAT advisers. When the proposal has been agreed with the client, a contract is issued to the client by CES.

19.3.3.2 University of Wales, Newport Enterprises Limited (UWNEL) has a contract with University of Wales, Newport to allow it to legally contract with a client. The University of Wales, Newport must similarly have contracts with either its staff or consultants.



19.3.3.3 **It is essential to have a contract in place with the client before University staff and/or consultants undertake any work for the client.** This contract can be signed by either the Executive Dean or their named delegate, or the Deputy Director of Commercial and External Services. CES will inform staff as soon as the signed contract has been returned by the client so that work can commence.

19.3.4 **Budget Procedure for individual projects.**

- 19.3.4.1 The costing form will be used to allocate Budgets. This form will also be used to:
- identify the income budget
 - identify the additional staff/consultancy costs
 - identify the additional consumable costs and the budget necessary
 - identify which company will be delivering the service (University or University of Wales, Newport Enterprises Limited)
 - analyse the project over University of Wales, Newport financial years for the duration of the contract
 - state the project code identified to be used for the duration of the contract
 - identify the financial budget codes that will be used to record and report the income and expenditure.
- 19.3.4.2 It is the departmental budget holder's responsibility to ensure that projects are delivered and managed as agreed in the Budget Allocation Form. Major changes should be discussed with the Business Development Manager and notified in writing to CES as soon as they are known.
- 19.3.5 **Invoicing**
- 19.3.5.2 19.3.5.1 University staff are required to keep Business Development Managers within CES informed of the progress of the projects with which they are involved. This requirement is particularly important so that an invoice request form can be completed at the appropriate time. All invoice request forms must be kept by the Business Development and Planning Department within CES. All sales invoicing for income generation activity must be performed by CES staff.
- 19.3.6 **Insurance**
- 19.3.6.1 University of Wales, Newport has professional indemnity insurance, which covers members of staff who deliver work for external organisations. However this insurance only applies when the above procedures have been followed.
- 19.3.7 **Short Course Activity**
- 19.3.7.1 All delegates who attend short courses should be asked to complete a short course enrolment form (circulated by the Faculty Administrator). The completed enrolment forms should be returned to the Faculty Administrator.

After the course has run, all enrolment documentation to be forwarded to the CES Finance Administrator who will analyse and compile the required information for the annual Higher Education Business and Community Interaction Survey (HEBCIS) return required by the Higher Education Statistics Agency.

19.3.7.2 At the end of the course each delegate should be asked to complete an evaluation form. The completed evaluation forms should be analysed by the Faculty Administrator and a report circulated to the Associate Dean (R&E) and Business Development Manager (BDM). BDM to follow up any complaints and clients of bespoke training.

19.4 **PROCEDURES FOR GRANT ASSISTED PROJECTS**

19.4.1 **Preparation of Proposals for Funding**

19.4.1.1 Staff wishing to submit a proposal to an external organisation for the following schemes:

- Knowledge Transfer Partnerships (KTPs)
- GO Wales
- Welsh Assembly Government (WAG) e.g. A4B (Academics for Business)
- Technology Strategy Board
- Tender opportunities

should contact the BDMs in CES who will assist with the costing methodology for funding proposals and ensure that a consistent approach is adopted across the University.

For proposals to Big Lottery staff should contact the Trusts and Foundations Officer in CES.

Please refer to section 19.4.5 for further information on EU funding, JISC projects and Research Council bids. Staff should contact Research and Graduate Studies (RGS) for information and assistance..

19.4.1.2 Any proposal for external funding has to be approved by either the **Pro Vice Chancellor (Resource Planning) &** Director of Finance or the Deputy Director of Commercial and External Services before it is submitted to the funding agency.

19.4.1.3 Copies of all proposals submitted to external organisations should be kept on file at CES and RGS.

19.4.2 **Successful Proposals**

- 19.4.2.1 Staff should notify CES of the decision made by the funding body of whether or not to fund the proposal.
- 19.4.2.2 If the bid has been successful, a copy of the agreement of the terms and conditions of the funding should be authorised by the Director of Finance and Deputy **Director of Commercial and External Services**. Copies of any terms and conditions of the funding should be kept on file at CES.
- 19.4.3 **Budget Procedure for Individual Projects.**
- 19.4.3.1 The Project Costing and Pricing Form should be completed by the Project Lead and CES Business Development Manager or Finance Manager and approved for each grant funded project. This form is used :
- to identify the income budget
 - to identify the additional staff/consultancy costs
 - to identify the additional consumable costs and the budget necessary
 - to identify which company will be delivering the service (University, or University of Wales, Newport Enterprises Limited)
 - to analyse the project over University of Wales, Newport financial years for the duration of the contract
 - to state the Project Code identified to be used for the duration of the project period
 - to identify the financial budget codes that will be used to record the income and expenditure.
- 19.4.3.2 It is the departmental budget holder's responsibility to ensure that projects are delivered and managed as agreed in the Budget Allocation Form.
- 19.4.3.3 It is the departmental budget holder's responsibility to ensure that expenditure relating to the project is coded appropriately and that timesheets for staff time (where required) are completed accurately.
- 19.4.4 **Claim for Funding**
- 19.4.4.1 BDP Staff within CES will assist with the claims process to ensure that all relevant expenditure is tracked and that grant income is coded appropriately.
- 19.4.5 **European Funding**
- 19.4.5.1 From the European Union Structural Funds (European Social Fund and European Regional Development Fund) funding may be sought as follows:

- ESF/ERDF Convergence covering West Wales and the Valleys: vocational training and research projects, community capacity building projects, capital and revenue economic regeneration projects.
- ESF/ERDF Competiveness covering East Wales: vocational training and research projects, community capacity building projects.

19.4.5.2 From a range of transnational programmes, European funding may be sought for activities such as:

- R & D activities
- vocational work-placements and training
- staff exchange and development visits
- transnational curriculum and course material development
- cultural and media activity
- student exchange

19.4.5.3 To encourage University of Wales, Newport's participation in these programmes, the European Office (based within the Research and Graduate Studies Department) will:

- provide information and advice on the range of programmes offering European funding available to higher education
- provide expertise and advice in the preparation, writing, administration, monitoring and evaluation of all proposals submitted to external agencies for European funding
- be the point of contact for projects from the European Union Structural Funds (European Social Fund and European Regional Development Fund) and from programmes such as SOCRATES, LEONARDO II, TEMPUS, MEDIA and the Framework Programmes for R&D
- be the point of contact for HE institutions from elsewhere in the European Union, the European Economic Area and Central and Eastern Europe
- be responsible for drafting European policy at University of Wales, Newport, in consultation with University of Wales, Newport's Dean of Research and Graduate Studies and Director of Finance.

19.4.5.4 The European Funding Manager has issued guidance documents for the delivery of ERDF, ESF and Student exchange programmes. These documents are approved and accepted by the Management Board as the procedures for operating European projects. It is the duty of all members of staff who are involved in any such project to obtain a copy of the relevant documents from the European Officer and abide by the guidance given therein.

19.4.5.5 If any member of staff has any has any doubt as to their responsibilities in relation to the financial aspect of European matters they must clarify the situation with the European Funding Manager.

19.5 **INCOME GENERATION ACTIVITY TARGETS**

19.5.1 The Director of Finance is responsible for providing each Faculty, School and department with annual income generation contribution targets. These will identify income, expenditure and contributions.

19.5.2 It is the responsibility of each Faculty, School or department to ensure that over the financial year, sufficient contribution is received from individual projects to achieve at least total target contribution.

19.5.3 .

19.5.4 All contribution will be distributed between the individual staff member, the Faculty and the University in equal thirds. If the individual staff member is not allocated one third, the Faculty will receive two thirds of contribution.

100% of unspent Faculty allocated contribution may be retained by the Faculty/School or department at the end of the financial year.

20 ASSETS

20.1 Land and Buildings

20.1.1 The Director of Estates has overall responsibility for the efficient use and management of the estates function within the University. The Director of Estates is responsible for the safeguarding of security, maintenance, accountability of staff and control of all University buildings.

20.1.2 The purchase, sale, construction and demolition of permanent buildings and land must be authorised by the Board of Governors. No member or officer of the University may enter into negotiations with any external body until such authority has been obtained.

20.1.3 The Director of Finance is responsible for maintaining a register of land and buildings, which shall include:

- Purchase details
- Nature of ownership
- Deed security and special requirements
- Valuation details

20.1.4. The Director of Finance shall also ensure that University land and buildings are professionally valued in accordance with accounting policies.

20.2 Inventory

20.2.1 The Welsh Funding Council's Audit Service requires that the University maintain an Inventory of all its equipment. The current inventory was set up in 1994 and all items that meet the following criteria are included:

- 9 All items with a life expectancy of over two years and a value over £500, excluding furniture.
- 10 Some lesser valued items that do not come into the above category but are unique, of special interest, or at particular risk.
- 11 All items that are leased by or on loan to the University

20.2.2 The following information is recorded about each item.

- Description of item (i.e. what it is) Supplier
- Serial number Order number*
- Type or Model number Cost
- Department to whom it 'belongs' Date item was last 'checked'
Location where it was found.
- Date & method of acquisition
- Room number where it will

be based

*Note: It is a requirement of Audit that we are able to link all new items to an official order and budget code. It is noted that some of the information may not be available, for example relating to computers supplied by the IT centre under the rolling replacement programme.

- 20.2.3 Budget holders are responsible for the physical security of assets under their control. Each Budget holder must nominate one or more people in the department to be responsible for the equipment controlled by that department.
- 20.2.4 Departmental Inventory Officers are responsible for:
- Maintaining supporting evidence of all purchases, receipts, transfers or disposals of equipment within their department/section. An Inventory notification form is available for this purpose.
 - Assisting in the annual audit of equipment.
 - Liaising with the Disposal Officers (see 20.12.2) to ensure that equipment for disposal is processed correctly.
- 20.2.5 All members of staff have a responsibility to notify their own Departmental Inventory Officer of any changes in the equipment they use.
- 20.2.6 Departments must inform their own Inventory Officer of all items which are portable by nature, e.g. lap top computers, along with the names of the people who have the delegated daily responsibility for each of these items. These will be listed as being located in the office of that person, although it will be recognised that the items may be held at a different location when checks are carried out.
- 20.2.7 University property must not be removed from the premises at which it is normally kept other than for normal University duties. If equipment is removed, it is essential for insurance purposes that the budget holder or responsible person should ensure that a record is maintained showing the date of removal, place of temporary location and date of return of any such equipment.
- 20.2.8 Each department must check its inventories at least once per year.
- 20.2.9. Each year at 31 July the Director of Finance will request a copy of the departmental inventory to hold as the supporting evidence for the annual Financial Statements which may be subject to audit.
- 20.2.10 **A copy of the departmental inventory should be kept off-site or in a fireproof cupboard as a safeguard in the event of a fire, or maintained in electronic format and saved on a drive which is subject to regular back –up procedures.**
- 20.3 **Purchases/New Goods**

- 20.3.1 Departmental Administrators must clearly mark all new purchases with the appropriate bar code numbers. Goods should not be used until they have been coded.
- 20.3.2 Within a week of purchase an Inventory Notification form must be completed by the Departmental Administrators and retained on file in the Department.
- 20.3.3 IT equipment is purchased through the IT Centre who will bar code items when they are delivered. These items should be added to the departmental inventory and those items returned to the IT Centre, removed from the inventory,
- 20.4 **Changes to Status**
- 20.4.1 Changes to inventory such as:
- Transfers
 - Breakages
 - Items being surplus to requirements/redundant
 - Theft
- should be notified to the Inventory Officer within one week.
- 20.5 **Leased and Loaned Items**
- 20.5.1 It is the responsibility of the receiving/procuring department to ensure that all loans/leases of equipment from or to the University must be properly documented on the departmental inventory system.
- 20.6 **Leases/Loans to the University**
- 20.6.1 The Departmental Inventory Officer must be informed of the length and nature of the lease, the extent of the University's liabilities and the conditions of the lease.
- 20.7 **Leases/Loans from the University**
- 20.7.1 All short-term loans of equipment must be signed out and in and a record of loans must be maintained by the Department. The barcode number of the loaned item should be recorded on the loan documentation.
- 20.7.2 All long term loans and any loans of single, or collections of items, valued at £5000 or over must be notified to the Director of Finance. These loans will require written authorisation; details of length and purpose of the loan and whether additional insurance is provided must be recorded.
- 20.8 **Furniture**
- 20.8.1 Most furniture will not be individually bar coded. Rooms will be listed with a total contents value as opposed to a value for each item. This will be based on standard values of how the room would be refurbished rather than

values of what is actually there. A colour coding system may be introduced to aid control of the movement of these items.

20.9 **Staff Residences**

20.9.1 The fixtures, fittings and furnishings provided by the University for each Residence must be listed in detail on an inventory and must be signed for by the occupant. A copy of this, with replacement values of items, will be kept by the Health & Safety Officer for insurance purposes.

20.9.2 The occupant is responsible for any loss or damage to the items provided, and it is in their interest to arrange their own insurance cover for them.

20.10 **Portable Appliance Testing (P.A.T.)**

20.10.1 Electrical equipment owned/provided by the University is subject to P.A.T. where applicable. The Department that holds the delegated responsibility for such items must ensure that appropriate testing is carried out.

20.11 **Interdepartmental transfers**

20.11.1 Any interdepartmental transfer of assets needs to be processed by Heads of Department and put in writing. The relevant interdepartmental transfer note must be completed and returned to the Finance Department to action the financial transfer. Both parties must inform the Departmental Inventory Officers in writing by so that the inventory records can be updated.

20.12 **Disposals**

20.12.1 All disposals must be made through the designated Disposals Officer, or their nominee, whose responsibility is to ensure fair value is recovered on all disposals and that disposals are executed in a fair and efficient manner.

20.12.2 The current Disposals Officers are:

- Head of IT and Media Services – for all Computer equipment
- Director of Estates – for all furniture and non-computer equipment.

20.12.3 Each department should periodically review all resources to ensure that they are not holding redundant equipment.

20.12.4 The Departmental Inventory Officer will annually notify the Disposals Officer of any redundant equipment that needs disposal.

20.12.5 All disposals must be sold as seen and no guarantees as to quality of performance and fitness for purpose are given by the University.

20.13 **Procedure For Disposal**

20.13.1 The approval of the Head of Department is required prior to the disposal of any items shown on the inventory. A Disposals Certificate must be completed, signed by the Head of Department, and sent to the Disposals Officer, except for IT equipment provided under the rolling replacement programme

- 20.13.2 The items should be advertised primarily to other Departments but may also be advertised within the University and be subject to offers from private individuals.
- 20.13.3 Disposals outside the University will be organised by the Disposals Officer as follows:
- 20.13.4 Furniture and furnishing effects/minor equipment may be gifted to publicly funded schools, or registered charities or charity shops. If all else fails items will be disposed to waste.
- 20.13.5 More specialist items of equipment (hand or machine tools, cooking equipment etc) may be disposed of in situ by formal tender to appropriate dealers (more than one, and where sensible also by internal notice to staff) so that they carry the cost of removal.
- 20.13.6 Computers may be offered to publicly funded schools as gifts where they remain in public ownership and thereafter by tender to staff and students.
- 20.13.7 Where goods are hazardous under Health and Safety legislation, the Disposals Officer will dispose of such goods through the professional trade.
- 20.13.8 Once goods have been disposed of, by whatever means, the Disposals Officer must send a copy of the Disposals Certificate to the Departmental Inventory Officer so that the goods may be removed from the Inventory. A copy must also be sent to the Finance Department for their records.
- 20.14 **Computer Equipment**
- 20.14.1 All surplus or redundant computer equipment MUST be returned to the IT Department. Departments are not permitted to dispose of computer equipment themselves.
- 20.14.2 If the item cannot be used elsewhere in the University the IT department will arrange for it to be disposed of by one of the following means:
- (i) Sale by Auction or Tender
 - (ii) Donated
 - (iii) Sale as Scrap
 - (iv) Discarded as rubbish
- 20.143 In all cases the hard disk of computers must be wiped or 'f-disked' before leaving the University. In the case of (iii) and (iv) the items must be rendered unusable prior to disposal.
- 20.15 **Chemicals**
- 20.15.1 All disposals of chemicals must be arranged through the Health and Safety Officer (Ext 2059). Members of staff must not dispose of them personally.

20.16 **Gifts**

20.16.1 Furniture and furnishing effects/minor equipment may be gifted to publicly funded schools, or registered charities or charity shops.

20.16.2 Computers may be offered to publicly funded schools as gifts where they remain in public ownership.

20.17 **Personal Use of Assets**

20.17.1 Occasional moderate private use of assets such as telephones and photocopiers is permitted if authorised by the Head of Department.

21. FUNDS AND RESERVES

21.1. Donations

21.1.1 Donations may be received as a result of corporate or individual generosity. In such cases it is important that the implications of any potential donation are fully examined and understood before any commitment is given by the University to accept the donation.

21.1.2 The Pro Vice-Chancellor Regional and International Development must therefore be informed as early as possible about any offers from, or initiatives to, raise money from outside sources.

21.1.3 Formal acceptance of any donations can only be made by one of the following staff:

- The Vice-Chancellor
- The Director of Finance
- The Pro Vice-Chancellor (Regional and International Development)

21.1.4 Any donation of physical assets will be valued at replacement cost and incorporated into the University's Inventory.

21.1.5 The Pro Vice-Chancellor Regional and International Development will be responsible for maintaining a register of gifts and donations as part of the register of outside interests showing the amount and the full details of the donor and the terms under which it is given.

21.2. Endowments

21.2.1 The Vice-Chancellor and the Director of Finance are the trustees of all endowments. The management of the investment of these endowments has been delegated to the Director of Finance.

21.2.2 Upon receipt of a new endowment, the trustees will be bound by the express wishes of the benefactor. When an endowment is received which has no express instructions as to its investment, it will be invested in accordance with the endowment investment policy. All endowment funds should be aggregated for treasury management purposes and will be invested with due regard to avoid investments accompanied by risk, while achieving both diversification and a reasonable return. It is the Director of Finance's responsibility to make sure that all funds received with specific instructions are clearly identifiable and monies are appropriated in accordance with the wishes of the benefactor. The Director of Finance will ensure that expenditure incurred by individual endowment funds is kept within potential income and all receiving departments are fully aware of any rules applicable to expenditure against such funds.

21.3 **Provisions Funds**

21.3.1 The Director of Finance will provide adequate amounts for depreciation of assets and any known liabilities.

22 COPYRIGHT AND THE LAW

22.1 Introduction

22.1.1 *“Intellectual Property” is the product of the human intellect that may have commercial value, including copyrighted property such as literary or artistic works, and ideational property, such as patents and industrial processes.*

22.1.2 Intellectual Property is an asset that may have commercial value. The protection and exploitation of the University of Wales, Newport’s Intellectual Property will play a key role in University commercial and research strategy.

22.1.3 The University seeks to raise awareness of Intellectual Property issues among its staff and students, and develop a procedural framework for the successful protection and exploitation of its Intellectual Property.

22.2 University of Wales, Newport Policy

22.2.1 The product of work carried out with the benefit of the University of Wales, Newport environment (including facilities, resources, expertise and intellectual assets) constitutes Intellectual Property that should be owned, protected and used by University of Wales, Newport for the benefit of University of Wales, Newport specifically and for the benefit society more generally.

22.2.2 University of Wales, Newport should not infringe the rights of others who own and control Intellectual Property.

22.2.3 The University of Wales, Newport will meet its obligations to those bodies providing funding, which may include, where appropriate, the management and exploitation of Intellectual Property.

22.2.4 The University of Wales, Newport should make provision to recognise and reward persons who create work that is patentable and has proven commercial value.

22.3 A full copy of the Intellectual Property policy and regulations document can be found in the University Procedures Manual and on-line on the Research and Enterprises Department (RED) intranet site. You should familiarise yourself with this document.

23 INSURANCE

23.1 Introduction

23.1.1 The Director of Finance is responsible to the Board of Governors to effect adequate insurance cover for the University and its subsidiary undertakings.

23.1.2 University of Wales, Newport is a member of the Universities Mutual Association Ltd (UMAL); who arrange all our insurance requirements. All requests for insurance must be directed to the Health & Safety Officer who is responsible for insurance and will make the necessary arrangements with UMAL.

23.1.3 The Director of Estates will ensure that insurance company inspections are carried out within the periods prescribed. In the event of any failure by the insurance company to carry out an inspection within the prescribed period, the Director of Estates will inform the Director of Finance immediately.

20.2 Insurance Provided By University of Wales, Newport

23.2.1 The main types of insurance provided by the University are:

23.2.1.1 **Property** – In certain situations this provides financial recompense for loss or damage to University property. Any changes of use of major buildings must be notified to the Health & Safety Officer, particularly if outside tenants are involved and/or any exhibitions involving borrowed/loaned equipment are organised.

23.2.1.2 **Public Liability** – To protect the University against legal costs and damages from accidental death or injury to third parties or accidental damage to their property for which the University is legally liable.

23.2.1.3 **Employers Liability** – This insurance covers the University against legal liability for damages, claimants' costs and expenses in respect of death, injury, illness or disease sustained by an employee, arising out of and in the course of their employment. It is the responsibility of the employee to prove that the University is liable (e.g. a breach of common law duty or breach of statutory regulations) for their claim to be successful.

23.2.1.4 **Personal Accident** – Provides financial recompense following death or injury to persons under a University contract of service. Cover is for serious injuries and all potential claims must be put in writing and submitted to the Health & Safety Officer.

23.2.1.5 **Travel Insurance** – Provides insurance to cover most areas of risk identified with overseas travel. A summary of exact cover will be issued to all approved travellers before their travel date. Before any overseas trips, an Authorisation for Overseas Travel form must be obtained from your Departmental Administrator, completed and signed by your Head of Department and the Vice-Chancellor. The completed form must be sent to the Health & Safety Officer at least 14 days before departure.

23.2.1.6 **Motor Fleet** – Provides comprehensive motor insurance, including third party injury or damage to the fleet of vehicles owned, hired or leased by the University and used on University business.

23.2.2 In addition to these the University also provide insurance for the following:

- Governors, Directors and Officers Liability
- Contractors “All Risks”
- Public and Products Liability
- Small Watercraft
- Professional Indemnity
- Engineering Inspection
- Terrorism

23.2.3 Special insurance for events, occasions etc not covered by the existing policies is also provided from time to time. Please contact the Health & Safety Officer for further details if required.

23.3 **Responsibilities of Staff**

23.3.1 All staff have a responsibility for advising the Health & Safety Officer of all new risks, properties or vehicles which require insurance and of any alterations affecting existing insurance.

23.3.2 Similarly any losses, liability, damage or any other event likely to lead to a claim must be transmitted immediately in writing to the Health & Safety Officer in order that the insurers and, where necessary the Police can be notified.

23.4 **Use of Private Cars**

23.4.1 If staff use their own cars for work related travel they must ensure that they have insurance cover for this. Travel to and from work is included in normal insurance policies but travel between campuses, for instance, is classed as business use and may not be covered. Please contact your own insurers to ensure that you have adequate cover.

23.5 **Claims Procedures**

23.5.1 **General**

If an incident occurs which may result in a claim, the following procedure MUST be followed:

- **Notify the University without delay**
Delays in notification of loss, or delays in the presentation of a claim may affect the recovery of the insurance loss.

Any serious incidents involving fatality or major loss must be notified immediately to the Health & Safety Officer and Operations Manager.

- **Report all cases of theft or suspected theft to the Police**

In the case of losses from the University's premises, this will be done by the Campus Security Staff. Where the loss occurs away from the University's premises; the person responsible for the lost item should report the loss.

- 23.5.2 In all circumstances, as much evidence as possible must be kept available for inspection by insurers provided this does not itself cause further damage/danger or have the possibility of doing so. Photographic evidence as well as names and addresses of witnesses, together with statements where possible should be obtained at the time of the incident.
- 23.5.3 With any potential insurance claim the Health & Safety Officer must be promptly advised of all the relevant facts with an estimate of the likely costs.
- 23.5.4 Under no circumstances should University staff admit liability for or comment on the circumstances of any incidents they may witness or be involved in.
- 23.5.5 All third party correspondence must immediately be forwarded to the Health & Safety Officer with no acknowledgement.
- 23.5.6 If it is necessary to make a claim on any of the policies please contact the Health & Safety Officer for advice, information and claim forms.
- 23.5.7 Where any claim involves personal accident/medical expenses, the nature of the injury/illness together with details of the percentage of disablement, address of the attending doctor and a medical certificate must be included.

23.6 **VEHICLE INSURANCE CLAIMS**

- 23.6.1 If a University owned or hired vehicle is involved in an accident, the following procedure must be followed regarding insurance:
- If another vehicle is involved, swap insurance details and obtain the registration number and drivers name & address for the other vehicle.
 - If there are any witnesses to the accident get their names & addresses.
 - Do not under any circumstances admit liability for the accident even if you believe it was your fault.

- Make a sketch of the scene while it is fresh in your mind and take photographs if possible.
- The Operations Manager must be notified as soon as possible and a Motor Claim Form completed.

23.7 EMPLOYERS AND PUBLIC LIABILITY INSURANCE

23.7.1 Civil Justice Reforms 1999 – Woolf Report

Following the Woolf report there have been changes to the procedures for dealing with Employers and Public Liability insurance claims. These changes aim to simplify and speed up the process for dealing with claims but in doing so place a burden on the University and individual staff to adhere to strict timetables. There may be penalties if these procedures are not adhered to.

23.7.2 The reforms require that you:

23.7.2.1 Report all incidents without delay

There are four types of incident that **must** be reported:

- Any incident that results in medical treatment being sought
- Any potentially high value damage to property
- Any incident reportable under RIDDOR (Reporting of Injuries, Diseases and Dangerous Occurrence Regulations).
- Any other incidents that you think may, for whatever reason, result in a claim. It is better to err on the side of caution and make a report even if the incident seems minor at the time.

23.7.2.2 Investigate incidents when they occur

The Security Staff attending an incident will make an initial report. An Incident Report Form or Accident Form should also be completed and sent to the Health and Safety Officer, who will forward them to our Insurers, U. M. Association Ltd (UMAL). **In the event of any major accident or fatal injury the Health & Safety Officer* should immediately notify UMAL by fax or phone.** (*Operations Supervisor if outside office hours)

23.7.2.2.1 A University Official, usually the Health & Safety Officer, will investigate and report on each incident when it occurs – we must not wait until a claim is made. As much evidence as possible must be kept available for inspection. Where possible photographic evidence, names & addresses of witnesses and their statements should be obtained at the time of the incident. The completed report, along with statements etc., will be sent by the Health & Safety Officer to UMAL.

23.7.2.2.2 This procedure must be followed even when a claim is too small to be covered by the Insurance Policy.

23.7.2.3 **Do not admit Liability or comment on circumstances either verbally or in writing**

Even if you think that an accident/incident is your fault, the fault of another person, or the fault of the University itself, you must not say so.

23.7.2.4 **Do not reply to, or acknowledge letters etc. from Claimants**
Witnesses, Line Managers, Heads of Departments etc, could all be sent letters from a Claimant or his/her Solicitor asking for statements following an incident. **It is essential that these letters are not replied to or acknowledged.** Any such letters MUST be handed to the Health & Safety Officer for forwarding to our Insurers who will reply on our behalf. If a statement is required from you this will be done via our Insurers.

23.7.3 The following list of Must's and Must Not's are given as guidance:

You **Must** report all incidents
You **Must** investigate incidents when they occur
You **Must** pass all letters from Claimants to the Health & Safety Officer without delay

You **Must Not** admit liability or comment on circumstances
You **Must Not** reply to, or acknowledge letters etc from Claimants

Please contact the Health & Safety Officer for more details or if you have any queries.

23.8 **CODE OF PRACTICE - TRAVEL INSURANCE OVERSEAS**

23.8.1.1 This Code of Practice is intended to clarify the procedures that should be followed in order to ensure that staff and students have permission to travel and are fully covered by insurance for overseas visits.

23.8.1.2 This Code of Practice applies to ALL visits outside the United Kingdom organised and approved by the University.

23.8.2 Information

23.8.2.1 Accurate, detailed information concerning the visit is essential. Form Ref OST(i) sets out the basic information which is required.

23.8.2.2 Deans of School or Heads of Departments must authorise any visits overseas by staff and/or students within the Department, 21 days prior to the projected departure. The responsibility for obtaining the Deans of School or Directors of Departments approval rests with the trip's organiser.

23.8.2.3 The information, once approved, should be lodged with the Health & Safety Officer at least 14 days in advance of the projected departure date so that the necessary insurance cover can be arranged. A copy of the Travel Certificate will be issued to the Organiser along with a Travel Cover Summary, which must be copied to each member of the party. It is the responsibility of the Organiser to ensure that all members of the party are given the Summary of Cover and any other information provided.

- 23.8.2.4 Any alterations to information previously supplied should be passed on to the Health & Safety Officer immediately.
- 23.8.3 General Cover
 - 23.8.3.1 For all approved travel outside of the United Kingdom you are covered by Travel Insurance provided by ACE Europe.
 - 23.8.3.2 A summary of the insurance benefits and the services available is shown below.
- 23.8.4 Pre-Travel Guidance
 - 23.8.4.1 Travellers can obtain pre-travel advice on such topics as business and social customs, political situations, medical facilities overseas, health precautions and vaccinations, visa and entry permit requirements, driving restrictions, currency, banking hours, time zones and climate from the Travel Advice Unit of the Foreign & Commonwealth Office. Their web-site is <http://www.fco.gov.uk/travel/>.
 - 23.8.4.2 Additional information on the security risk in any country can be obtained, via the 'Control Risks' link on the UMAL website <http://www.umal.co.uk> (user name umal79 password92c61)
 - 23.8.4.3 It is recommended that you request this advice when travelling to any country where there is a potential risk
 - 23.8.4.4 You are strongly recommended to make use of this service or contact your own GP for advice on health precautions and vaccinations before any overseas visit.
- 23.8.5 European Health Insurance card (EHIC)
 - 23.8.5.1 It is recommended that travellers to Europe obtain the European Health Insurance card which replaced the E111 form from 31 December 2005.
- 23.8.6 Travel Booking Procedures
 - 23.8.6.1 Travel bookings must not be made until the appropriate Dean of School/Departmental Director has granted approval. For cross-reference purposes the sequential number from the Authorisation Form OST(i) should be quoted on the Purchase Order forms for any related bookings.
 - 23.8.6.2 Travel Bookings should be made through our recommended Travel Agent, if they provide for the specific requirements and quote a competitive price from a minimum of two quotations. All appropriate details i.e. cost, dates, flight no's etc must be entered on the Purchase order.

- 23.8.7 Insurance for Travellers Who Are Not Part Of University of Wales, Newport
- 23.8.7.1 Our policy only covers University of Wales, Newport staff and students. However there may be occasions such as student visits overseas when persons from outside University of Wales, Newport may be included to make up numbers. These people will need to pay for their own insurance.
- 23.8.8 Insurance Benefits and Services Available
- 23.8.8.1 The travel insurance policy provides cover for:
- (i) Medical Expenses
 - (ii) Personal Property
 - (iii) Money
 - (iv) Disruption
 - (v) Personal Accident
 - (vi) Personal Liability
 - (vii) Legal Expenses
- 23.8.8.2 Details of the policy limits, exclusions and excess amounts are available from the Health & Safety Officer.
- 23.8.8.3 Details of the Travel insurance Plan are published on the UMAL web-site www.umal.co.uk
- 23.8.8.4 In the event of a claim please contact the Health & Safety Officer for a claim form or print one off from the UMAL web site. Please note that supporting documentation may be required for claims e.g. crime reports, receipts, medical certificates, etc.
- 23.8.9 Green Cards
- 23.8.9.1 If a University vehicle is being taken overseas, a Green Card should be obtained from the Facilities Management Department.

24

VAT

- 24.1 VAT is a broadly based tax on general consumer expenditure and is charged upon most supplies made in the course of business by taxable persons. The basic feature of the tax is that a taxable person must charge tax at the rate applicable on supplies unless they are subject to specific reliefs contained in the law. The VAT Act 1994 provides for two forms of relief, zero rating and exemption. Zero rating allows tax to be recovered on purchases, whereas exemption does not.
- 24.2 The Director of Finance shall maintain the VAT records for the University and shall make all VAT payments and receive all VAT credits as appropriate.
- 24.3 In general, University supplies which are considered incidental to teaching and research fall 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 bookshops, sport shops, launderettes, vending machines and other outlets
 - sale of second-hand goods, obsolete equipment and similar goods
 - with certain exceptions, the supply of board and lodging to any outside organisations 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 where special facilities are available for visitors
 - the supply of holiday accommodation and meals served to holiday makers in any University canteen
 - all sales of tobacco, drinks and confectionery items, including ice cream and soft drinks, except when supplied and paid for as part of a 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 tapes other than to the University's own students
 - photocopying services
 - consultancy and laboratory services for which charges are made
 - holiday courses of a sporting or recreational nature.
- 24.4 The above list is for general guidance only and is not exhaustive. Further information may be obtained from the University's VAT advisers via the Finance Department.
- 24.5 Where VAT has to be borne by the University it will be allocated as a cost against the budget for the item being purchased.

- 24.6 Any liability arising from the failure of departments to process information or account correctly for VAT will be recharged to the department concerned.
- 24.7 Any queries regarding VAT should be directed to the University's Vat advisers via the Finance Department.

25. UNIVERSITY AND COMPANY SEALS

- 25.1 Use of the common seal of the University and its subsidiary companies is generally restricted to legal documents and can only be authorised by the respective Boards. The document shall be so sealed by, or at the direction of the Clerk to the Board of Governors, or Company Secretary.
- 25.2 The sealed document should be signed by the Vice-Chancellor of the University and by the Chairman confirming the authenticity of the seal and that the authority of the Boards for the Sealing has been seen.
- 25.3 Except where a document is sealed at a meeting of the Board every use of the seal shall be reported by the Clerk to the Board or Company Secretary to the next Board meeting.
- 25.4 The University and Company Seals remain in the custody of the Clerk to the Board who maintains a register detailing:
- date
 - description of the document sealed
 - names of the persons attesting the document
 - disposal of the document.

26. POLICY AND PROCEDURES FOR FRAUD

26.1 Introduction

26.1.1 The University relies on public funds for its main business activities. It is therefore important that all those who work in the University are aware of the risk and means of enforcing the rules against fraud and other illegal acts involving dishonesty or damage to property. For simplicity all such offences are hereafter referred to as 'fraud', except where the context indicates otherwise. A person is guilty of fraud if he is in breach of any of the sections listed in subsection (2) of the 2006 Fraud Act (which provide for different ways of committing the offence). The sections are (a) section 2 (fraud by false representation), (b) section 3 (fraud by failing to disclose information), and (c) section 4 (fraud by abuse of position). A person may be regarded as having abused his position even though his conduct consisted of an omission rather than an act. The full text of the Act including the full definition of fraud is available online at http://www.opsi.gov.uk/acts/acts2006/pdf/ukpga_20060035_en.pdf

26.1.2 The University already has procedures in place that reduce the likelihood of fraud occurring. These include Financial Regulations and Procedures, documented procedures and a system of internal control and a system of risk assessment. In addition the University Management tries to ensure a risk (and fraud) awareness culture exists in the University.

26.1.3 This document is intended to provide direction and help to officers who find themselves having to deal with suspected cases of theft, fraud or corruption. It gives a framework for a response and advice and information on various aspects and implications of an investigation. This document is not intended to provide direction on prevention of fraud.

26.1.4 Section 26.2 sets out the public service values that must underpin the activities and culture of the University. Section 26.3 sets out the Board's Policy on dealing with fraud. Section 26.4 sets out the roles and responsibilities of the Board and staff of the University in relation to reported fraud. .

26.2 Public Service Values

26.2.1 The Code of Conduct for members of the University sets out high standard of corporate and personal conduct, based on the recognition that service to the educational community and its various interfaces must come first.

Accountability: Everything done by those who work in the organisation must be able to stand the tests of parliamentary scrutiny, public judgements on the propriety and professional codes of conduct.

Probity: Absolute honesty and integrity should be exercised in dealing with students, assets, staff, suppliers and customers

Openness: The organisation's activities should be sufficiently public and transparent to promote confidence between the organisation and its students, staff and the public.

All those who work in the organisation should be aware of, and act in accordance with, these values.

26.3 **The University Policy**

26.3.1 The University Board is absolutely committed to maintaining an honest, open and well-intentioned atmosphere. It is therefore also committed to the elimination of any fraud within the University and to the rigorous investigation of any such cases.

26.3.2 The University wishes to encourage anyone having reasonable suspicions of fraud to report them. Therefore it is also the University's Policy, which will be rigorously enforced, that no employee will suffer in any way as a result of reporting reasonably held suspicions.

26.3.3 All members of staff can therefore be confident that they will not suffer in any way as a result of reporting reasonably held suspicions of fraud. For these purposes 'reasonably held suspicions' shall mean any suspicions other than those which are groundless and/or raised maliciously.

26.4 **Roles and Responsibilities**

26.4.1 Responsibility for investigating fraud has been delegated to the Director of Finance. He shall also be responsible for informing third parties such as the internal audit, HEFCW, external audit or the Police where appropriate. The Director of Finance shall inform and consult the Vice-Chancellor at the first opportunity in all cases where the incident may lead to adverse publicity.

26.4.2 The Director of Finance shall normally inform the Internal Audit at the first opportunity and delegate to Internal Audit responsibility for leading any investigation whilst retaining overall responsibility him/herself.

26.4.3 Where a member of staff is to be interviewed or disciplined, the Director of Finance will ensure that all actions follow guidance laid down in the University Disciplinary Procedures.

[The Vice-Chancellor is authorised to receive inquiries of staff confidentially and anonymously. He/she is also authorised to decide whether the matter raised needs to be reported to the Director of Finance].

26.4.4 All staff have a duty to protect the assets of the University. Assets include information and goodwill as well as property.

27. MISCELLANEOUS

27.1 This section contains various miscellaneous regulations which do not easily fit into any of the other chapters.

27.2 Funeral Wreaths

The University will allow the purchase, from its funds, of wreaths for the funerals of present or past members of staff only. University funds may not be used for the purchase of wreaths for close relatives of present or past members of staff.

27.3 Lost and Found Cash

Any cash found should be handed in to the Finance Department for safe custody together with details of where and when it was found. If the cash is unclaimed after three months, then the finder may claim the money.

27.4 Any departments which provide a uniform must ensure that the item has a permanent prominent logo in accordance with the University's dispensation agreed with HMRC.

