

**New
Model**
In Technology
& Engineering

Standing Orders

(including Financial and Procurement Regulations)

November 2017

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Part 1 – General Provisions

1 Background

1.1 New Model in Technology & Engineering (the NMiTE) was incorporated on 3 December 2013 as a NMiTE limited by guarantee (NMiTE Number 08800142). The NMiTE intends to become a charity and to meet the conditions for registration as an English provider of higher education under the regime of the Office for Students. Until such time it will act and comply with the rules and regulations set by Higher Education regulatory bodies in order to comply with the standards of a publicly accountable body which is in receipt of government grants and funding.

1.2 The strategic objectives¹ of the NMiTE are to:

- to advance education by establishing, maintaining, developing and running in or near the City of Hereford and elsewhere in the County of Herefordshire a tertiary education centre with a view to it obtaining university status, and
- to advance such other exclusively charitable purposes compatible with the advancement of a tertiary education centre seeking to obtain university status as the Directors in their absolute discretion determine.

2 Status of the Standing Orders

2.1 This document sets out the the standing orders for the conduct of meetings of the NMiTE Board, and NMiTE's financial and procurement regulations. The financial and procurement regulations amplify the NMiTE's broad policies relating to financial control and compliance to procurement legislation and good practice in order that the NMiTE attracts the best value for money in its contracting arrangements. For the time being, the Board has decided to adopt the procurement regulations practised in the public sector, specifically those approved for use by University of Warwick. This document and therefore the standing orders and financial and procurement regulations within it were approved by the Board at its April 2017 meeting. The regulations apply to the NMiTE, the Directors, Co-opted Members, Staff, Contracted Professionals, and Volunteers.

2.2 The financial and procurement regulations support the NMiTE's memorandum and articles of

¹ The NMiTE's strategic objectives will be updated as and when it becomes a Charitable Trust and also these will change as part of the process of achieving the highest level of Approved Provider status with the Office for Students (OFS). Higher education institution (HEI) is a term from the Further and Higher Education Act 1992. According to the Act, it means any provider which is one or more of the following: a UK university; a higher education corporation; a designated institution. OFS may choose to fund higher education institutions for teaching and research if they meet the conditions of grant. Higher education institutions are also required to subscribe to the Office of the Independent Adjudicator.

association and also regulate any conditions/bequests attached to any donation.

- 2.3 The purpose of these financial and procurement regulations is to provide control over the totality of the NMiTE's resources. They provide Directors and management with assurances that the resources are being properly applied for the achievement of the NMiTE's strategic and charitable objectives and that it is in compliance with relevant procurement legislation and with best practice in the higher education sector.
- 2.4 Compliance with the financial and procurement regulations is compulsory for all individuals² connected with the NMiTE. An individual who fails to comply with the financial and procurement regulations may be subject to disciplinary action under the NMiTE's disciplinary policy. The Board will be notified of any such breach through the Audit & Risk Committee. It is the responsibility of the COO to ensure that all individuals¹ are made aware of the existence and content of the NMiTE's financial and procurement regulations.
- 2.5 The COO will conduct periodic reviews of the financial and procurement regulations and will recommend to the Board necessary and proposed additions and changes for its approval.
- 2.6 In exceptional circumstances, the Audit & Risk Committee may authorise an exemption from the detailed provisions herein on application from the CEO, who in time will also be the Accounting Officer when NMiTE is designated by the Office for Students as an Approved Provider. Any such exemption will be reported to the Board at the earliest opportunity.

² Directors, Co-opted Members, Staff, Contracted Professionals, and Volunteers.

Part 2 – Governance: Standing Orders for the Board

1. MEETINGS

General

- 1.1 The meetings of the Board shall be held at such time and place as the Board may from time to time determine, subject to the provisions of the remainder of these Standing Orders.

Chair's/Deputy Chair's/Company Secretary's Power

- 1.2 The Chair (or, in her/his absence, the Deputy Chair, or in her/his absence, the Company Secretary) may at any time alter the time and/or place already decided upon for a meeting, or may order the convening of a meeting.

Requisitions

- 1.3 The convening of a meeting may be requested at any time by written requisition signed by three members of the Board, specifying the nature of the business desired to be transacted at such meetings. The Chair will determine whether to accede to such a requisition. If she/he does not so accede, she/he will write to the members giving reasons and report the matter to the next meeting of the Board.

Emergencies

- 1.4 In case of emergency certified by the Chair (or, in her/his absence, the Deputy Chair or in her/his absence, the Company Secretary), a meeting of the Board may be convened always providing that at least three members shall be present even though:

- (1) notice shall not have been given as required by these Standing Orders and/or
- (2) the quorum of members prescribed in these Standing Orders may not be met.

The business transacted at an emergency meeting shall be reported to the next scheduled meeting of the Board and must be confirmed at the latter meeting or by correspondence with all members of the Board prior to that (to the extent that the authority of the Board is required in that connection).

2. QUORUM

Number of Members

2.1 The quorum of the Board shall be 7 independent members if the total number of members of the Board is between 10 and 15 members (15 is the maximum number of members including employee and student members). During the start-up period of the NMiTE, the membership of the Board will be less than 15 and therefore the quorum will be smaller as follows:

- (1) 5 members – a quorum of 3 independent members
- (2) 6 to 10 members – a quorum of 5 independent members

General Rule on Transaction of Business

2.2 The general rule is that no business shall be transacted at any meeting of the Board unless the prescribed quorum of members is present.

Exception to the Rule

2.3 Notwithstanding the general rule, a meeting may proceed, in respect of any item or items on the agenda, if, in accordance with the provisions of 1.4, the Chair has certified an emergency and three members of the Board are present.

3. CHAIRING MEETINGS

The Presiding Member

3.1 Meetings shall be chaired by:

- (1) The Chair; or
- (2) The Deputy Chair (in the absence of the Chair); or
- (3) Any other member of the Board selected by resolution of the members present (in the absence of both the Chair and the Deputy Chair).

3.2 Any power or duty assigned to the Chair in relation to the conduct of a Board meeting may be exercised by the person presiding at that meeting.

Powers of the Presiding Member

3.3 The member presiding at any meeting shall decide all questions of order, relevancy and competency arising at that meeting. However, any member present may take exception to any such ruling. In that event, the person presiding shall, without further

discussion, submit the matter to that meeting, and his/her ruling shall not take effect unless it is supported by a simple majority of members present.

4 ADJOURNMENTS

- 4.1 The Board may adjourn any meeting to any other time and any other place following a motion proposed by the presiding member.

5. MINUTES OF MEETINGS

Keeping of Minutes

- 5.1 Draft minutes shall be circulated to Board Members in accordance with these Standing Orders.
- 5.3 Draft minutes shall be submitted to the next meeting of the Board for approval.
- 5.4 Minutes which are being submitted for approval shall be taken as read and then approved, with or without amendment. No discussion shall be allowed on such minutes except as to their accuracy.
- 5.5 Approved minutes shall be deemed to be a true record of the meeting to which they relate and they shall be signed by the person presiding at the meeting at which they were approved.
- 5.6 The approved minutes of each meeting of the Board shall be digitally secured on the Company's server and kept for access by members on application to the Company Secretary.

Publication of Minutes

- 5.6 Once approved by the Board, non-confidential minutes of Board meetings will be a matter of public record and made publicly available on the NMiTE website. This will be in line with the NMiTE's policy and protocol on matters of confidentiality and non-confidentiality.

Records of Attendance

- 5.7 In the minutes of any Board meeting the names of members present and officers in attendance at the meeting shall be duly recorded together with their arrival and departure times.
- 5.8 A register shall be kept showing details of attendance of members at meetings.

6. NOTICE OF MEETINGS AND AGENDA

Documents to be Provided Prior to Meetings

6.1 Five clear working days at least before any meeting of the Board, there shall be issued to every member a copy of the following:

- (1) A notice convening the meeting, giving its time and place;
- (2) A statement of the business to be transacted at that meeting (in these Standing Orders referred to as the agenda);
- (3) All reports and other documents referred to in, or to be read with, the agenda.

However, any report or other document, a copy of which cannot for good reasons be circulated with the agenda, may nevertheless, by agreement of the Chair, be circulated at a later date in advance of the meeting or tabled at the meeting, and duly considered. If due notice of any meetings, or any agenda, is not issued to any member, those defects shall not affect the validity of the relevant meeting or of any subsequent meeting.

Matters/Business to be Discussed

6.2 No matter or business shall be discussed or decided at a meeting, if reference to this is not set forth in the agenda, except with the consent of a majority of members present at that meeting.

6.3 Any member may require that any subject may be placed on the agenda and that any document relating to such subject shall be circulated, on giving seven working days' notice in writing to the Company Secretary

Order of Business

6.4 Subject to paragraph 6.5 below, the order of business at every meeting of the Board shall be as follows:

- (1) To choose a person to preside (if the Chair and Deputy Chair are both absent).
- (2) To note apologies and declare any interests
- (3) To approve as a correct record and sign the minutes of the last Board meeting.
- (4) To dispose of business (if any) remaining or arising from that previous meeting.
- (5) To deal with any business expressly required by statute to be done.
- (6) To deal with any business in the order in which it is listed in the agenda.
- (7) To deal with any other business.

- 6.5 The foregoing order of business may be varied by the person presiding at his/her discretion, with the consent of a majority of the members present at the relevant meeting.

7 A DEFERRED OR WITHDRAWN PAPERS

At Board Meetings, Papers may on Occasion be Deferred or Withdrawn

- 7.1 On occasion, papers on the Board agenda may be deferred due to time constraints or pending the outcome of some other event. No action should be taken on deferred papers until the paper is re-submitted and approved by the Board. Deferred papers will be noted on the matters brought forward/outstanding matters list until the required action is taken by the relevant Director.
- 7.2 On occasion, papers on the Board agenda may be withdrawn either prior to, or at a Board meeting. In such instances the papers are recorded as withdrawn and returned to the relevant Director by the Company Secretary. No action should be taken in respect of any withdrawn paper. If any action is requested by the Board this should be recorded on the matters brought forward/outstanding matters list.

8. VOTING

Mode of Decision-Making

- 8.1 Every question shall (except where otherwise required by law or otherwise provided in these Standing Orders) be determined by a simple majority of the members present and voting.
- 8.2 The member presiding at the meeting shall have a second or casting vote in cases of equality (i.e. a tied vote).
- 8.3 The votes shall be taken by a show of hands or otherwise as the meeting shall decide.

Records of Votes

- 8.4 On the request of any member, a record shall be made in relation to each member of how that member voted and of whether that member abstained.

9. DISCLOSURE OF PECUNIARY AND PERSONAL INTERESTS

The Legal Obligations

- 9.1 **Disclosure of pecuniary interests.** Board members are required at the beginning of all meetings, working groups or other official meetings related to NMiTE, to declare their interests before the start of the meeting in relation to any specific item on the agenda.

The Company Secretary will keep a Register of Pecuniary and Personal Interests related to any specifically mentioned declaration and provide all Directors with an Annual Return to be completed by all Directors/Trustees (declaring all relevant interests).

Staff are required to declare their interests as part of their contractual requirements and any changes to their circumstances need to be reported to the HR Manager and the Company Secretary. All relevant interests will be recorded on Personnel files for the period of employment.

The Requirements of The Code

- 9.2 Members are also reminded of the requirements of these codes of practice for Board Members in relation to disclosure of interests.

10 Board Statement of Primary Responsibilities and Matters Reserved for the Board

Statement of Primary Responsibilities

- 10.1 *The Board's Terms of Reference are compliant with the Higher Education Code of Governance issued by the Committee of University Chairs unless otherwise stated and explained. The Board's primary responsibilities are as follows (The Statement of Primary Responsibilities are listed here as a first step to establishing NMiTE. However, in future these responsibilities will be set out in a separate document to be updated/amended every year for re-approval by the Board at its first meeting of the academic year):*

- (1) To safeguard the good name and values of NMiTE.
- (2) To approve the mission and strategic vision of the Institution, long-term academic and business plans and key performance indicators, and to ensure that these meet the interests of stakeholders.
- (3) To determine the ethical values to be promoted throughout the Institution.
- (4) To delegate authority to the Founding President, as Chief Executive, for the academic, corporate, financial, estate and human resource management of the Institution. To establish and keep under regular review the policies, procedures and limits within such management functions as shall be undertaken by and under the authority of the Chief Executive.
- (5) To ensure the solvency of the NMiTE and the safeguarding of the NMiTE's assets.
- (6) To ensure that the financial, planning and other management controls, including controls against fraud and theft, applied by NMiTE are appropriate and sufficient to safeguard public funds.

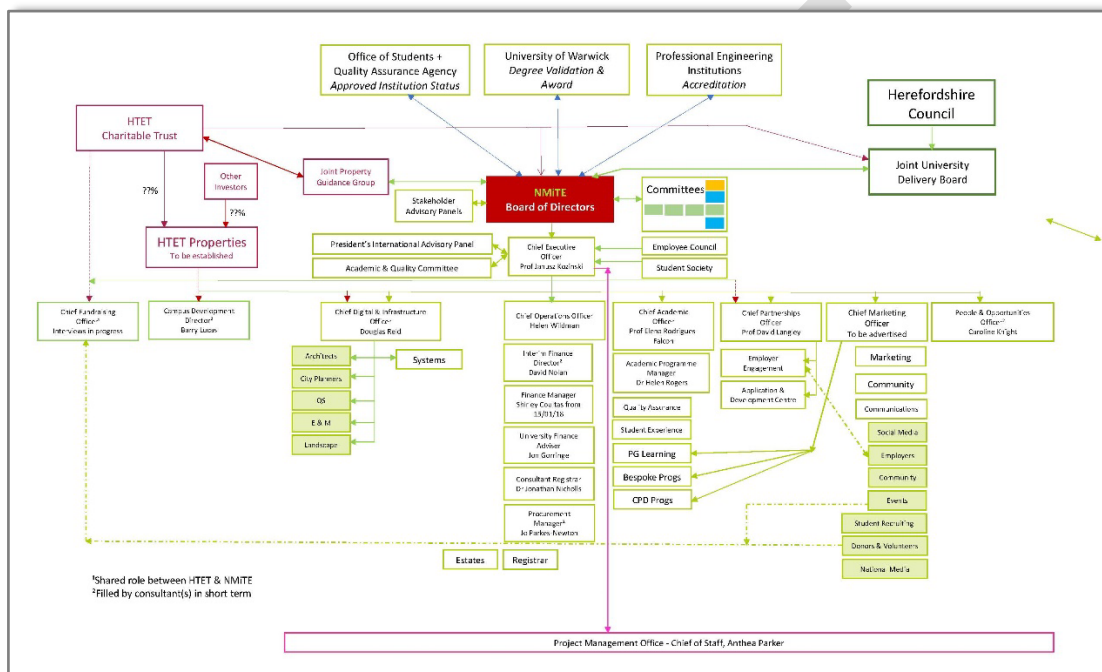
- (7) To ensure the establishment and monitoring of systems of control and accountability, including financial and operational controls and risk assessment, and procedures for handling internal grievances and for managing conflicts of interest.
- (8) To ensure processes are in place to monitor and evaluate the performance and effectiveness of the Institution against the plans and approved key performance indicators, which should be, where possible and appropriate, benchmarked against other comparable institutions.
- (9) To establish processes to monitor and evaluate the performance and effectiveness of the governing body itself.
- (10) To conduct its business in accordance with best practice in higher education corporate governance having regard to the principles of public life drawn up by the Committee on Standards in Public Life.
- (11) To appoint the Founding President as chief executive, and to put in place suitable arrangements for monitoring his/her performance.
- (12) To appoint a Secretary to the Board (Company Secretary) and to ensure that, if the person appointed has managerial responsibilities in the Institution, there is an appropriate separation in the lines of accountability.
- (13) To be the employing authority for all staff in the Institution and to be responsible for establishing a human resources strategy.
- (14) To be the principal financial and business authority of the Institution, to ensure that proper financial records are kept, to approve the annual budget and financial statements, and to have overall responsibility for the Institution's assets, property and estate.
- (15) To secure the efficient, economical and effective management of all the NMiTE's resources and expenditure, capital assets and equipment, and staff, so that the investment of public funds and private donations are not put at risk.
- (16) To ensure that appropriate financial considerations are taken into account at all stages in reaching decisions and in their execution.
- (17) To 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.
- (18) To approve an annual budget before the start of each financial/academic year – 1 August to 31 July.
- (19) To determine fees and charges. To approve the Institution's tuition fee strategy and widening participation policies.

- (20) To approve the NMiTE's strategic objectives and financial statements.
- (21) To be the Institution's legal authority and, as such, to ensure that systems are in place for meeting all the Institution's legal obligations, including those arising from contracts and other legal commitments made in the name of the Institution.
- (22) To make such provision as the Board sees fit for the general welfare of students, in consultation with the Academic Board or whatever entity is established.
- (23) To ensure that systems are in place to provide equality and diversity of opportunity for staff and students.
- (24) To act as trustee for any property, legacy, endowment, bequest or gift in support of the work and welfare of the Institution. This will be in line with NMiTE's strategy and policies on fundraising which will be approved by the Board.
- (25) To ensure that the Institution's Instrument and Articles of Association are observed and that appropriate advice is available to enable this to happen.

10.2 Other Matters that are considered by the Board

- (1) To approve expenditure in relation to any project, initiative or acquisition which falls outside those authorities delegated to the executive.
- (2) To approve the creation or dissolution of any subsidiary that will or does form part of the Institution.
- (3) To ensure that the Institution has in place relevant policies which uphold the ethical values of the Institution, particularly in terms of research, business development and corporate social responsibility.
- (4) To approve the appointment of Members of the Board and the filling of casual vacancies.

- (5) To appoint the Founding President as Chief Executive, and to put in place suitable arrangements for monitoring his/her performance as well as appoint, grade, suspend, dismiss and determine the pay and conditions of the NMiTE Senior Leadership Team (SLT) which, in the initial phase of the start-up, will consist in addition to the Founding President (the Chief Executive Officer), Chief Operating Officer, Chief Academic Officer, Chief Marketing Officer, Chief Partnerships Officer, Chief Digital & Infrastructure Officer, Chief Fundraising Officer³ and the People & Opportunities Officer (see the following structure chart).



- (6) To approve the establishment and membership of any NMiTE Committees, Councils, Forums or Panels which are the responsibility of the Board, including (but not be restricted to):
- the Employee Council with one member elected to represent ten employees from which a Chair and Vice Chair shall be elected by staff of NMiTE and a committee of not more than 10 members (elected as one constituent group rather than separate representation from specific groups of staff). The Chair shall have a seat on the Board. The committee shall have a direct relationship with SLT; the CEO shall be accountable to the Employee Council meeting twice yearly. *(This will require further discussion and agreement by the Board)*
 - All students will be entitled to join the Students' Society (Students' Union). The Board's responsibilities as regards the Student's Society are detailed in a separate policy paper - **Requirements to be Observed in relation to the Students' Union – Education Act 1994**
 - The Academic & Quality Committee chaired by the Chief Executive (CAO)
 - the Staff Appeals Committee from which a Panel shall be identified by the Committee (or Chair) for any individual case.

³ The Chief Fundraising Officer may be employed in a shared role with Herefordshire Tertiary Education Trust (HTET).

- (e) the Student Disciplinary Appeals group from which a Panel shall be identified by the Committee (or Chair) for any individual case.
 - (f) the Student Suspension Review Panel, the membership of which shall be identified by the Committee (or Chair) separately for any individual case.
 - (g) the Special Committee to be convened in the event of the dismissal of holders of senior posts including the Chief Executive and the Company Secretary to the Board.
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- (7) To receive the annual report of the Audit & Risk Committee for submission to Office for Students & QAA, together with an annual report for each of the other Board Committees.
 - (8) To receive the Office for Students' annual assessment of institutional risk.
 - (9) To approve amendments to the Standing Orders and the Academic Regulations (as approved by the Academic & Quality Committee).
 - (10) To approve the annual calendar of meetings for the Board and Committees.
 - (11) To ensure that the Institution has a written statement of policies, and to monitor the implementation of such policies through the receipt of an annual report. See the following table, which is not a definitive list of policies, but will evolve as the Board develop NMiTE.

Policy		
<p>HR Ultimately a fully encompassing Staff Handbook will be compiled which will include the induction process and will have a core of policies and specific policies depending on role for individual Company Directors.</p>	<ul style="list-style-type: none"> • Employment Code of Practice • Code of Conduct • Bullying and Harassment • Grievance, Disciplinary • Equality/Equity • H & S, welfare and hygiene at work • Salary Policy • Holiday • Sickness, Injury and maternity • Safeguarding • Company property • Use of computer equipment • Email and internet • Gifts • Termination • Expense policy • Relocation policy 	<ul style="list-style-type: none"> • Promotion policy and procedure • Staff appraisal policy • Substance Misuse • Whistleblowing • Anti-bribery • Safeguarding and Child Protection • Capability procedures • Disciplinary procedures • Work Life Balance • External affairs communications policy • Social media policy • Avoidance of redundancy and redundancy procedure policy • Modern Slavery Act 2015 statement
<p>Finance</p>	<ul style="list-style-type: none"> • Finance Handbook/financial regulations • Accounts payable procedures • Delegation of authority policy • Procurement Policy • Anti-bribery policy 	<ul style="list-style-type: none"> • Travel, expenses and benefits for volunteers policy • Comprehensive finance handbook developed by the Chief Operating Officer • Treasury management
<p>IT – this will be developed with the IT department and evolve over the time of the development of the IT infrastructure.</p>	<ul style="list-style-type: none"> • Code of Conduct • Rules for use of NMITE computers • Business continuity plan • Security policy • IT Strategy • ICT Acceptable Use Policy • Information Framework • Associates IT Access Control Policy • IT Procurement Policy • Mobile Devices Policy • Network Security & Connection Policy 	<ul style="list-style-type: none"> • Procurement policy • Acceptable use policy <ul style="list-style-type: none"> ○ Access by Ex-Employees to IT Accounts ○ IT Arrangements for Leavers and their Managers ○ Retention of IT System Log files, Deleted Emails and Leavers' Accounts

	<ul style="list-style-type: none"> • Network and Technology Policy 	<ul style="list-style-type: none"> • ICT AUP Code of Practice for Students
Governance	<ul style="list-style-type: none"> • Policy framework for official Documents • Data Quality Policy • Management of Conflicts of Interests Policy • Risk Management Policy • Directors service agreement 	<ul style="list-style-type: none"> • Director appraisal plan • Director succession plan • Director skills matrix • Instrument of Government • Freedom of Speech Policy
Data Protection	<ul style="list-style-type: none"> • Data Protection Policy • Information Framework • Information Security Policy • Information and Records Management Policy • Intellectual Property Policy • Guidelines for the writing of references for students • Retention of Key School Records 	<ul style="list-style-type: none"> • Data Protection: Fair processing of student personal information • Freedom of Information Policy <ul style="list-style-type: none"> ○ FOI Procedure ○ FOI Fees Statement ○ FOI Complaints Procedure
Estates and Buildings	<ul style="list-style-type: none"> • Emergency Planning Policy • Environmental Sustainability Statement • Estates Masterplan • Estates Tendering Procedures • Campus Security Policy • CCTV Policy 	<ul style="list-style-type: none"> • Carbon Management Plan • Fair Trade Policy • Naming the University Estate Policy • Sustainable Environment Policy • Transport
Other	<ul style="list-style-type: none"> • Service level agreement for consultants • Conflict of interest Policy • Environmental Policy • Customer Charter • Admissions policies • Charging and remissions • Governors/directors allowances. 	<ul style="list-style-type: none"> • Equality of information and objectives • Statement of procedures for allegations of abuse against staff • Staff appraisal policy • Accessibility plan

11. The Employee Council - NMITE Employee Participation Model

TO BE RE WRITTEN WHEN EMPLOYEE DELIBERATIONS COMPLETE

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12. THE COMMON SEAL (when obtaining Charitable Status) – The use of the Common Seal is detailed in a separate Policy Paper

Custody of the Seal

- 12.1 Always when not in use, the Common Seal of the Executive (“the Seal”) shall be kept locked in a manner and in a place as agreed by the Chief Executive.

Affixing the Seal

- 12.2 The Seal shall not be set to any document without the authority of a resolution of the Board unless the affixing of the Seal is consequential to a relevant decision.

- 12.3 In this Standing Order, “a relevant decision” is a decision which duly authorises:

- (1) The acceptance of any tender; or
- (2) The purchase, sale, letting or taking of any property; or
- (3) The making of any contract.

Attestation

- 12.4 The Seal when applied to a document shall be attested by two of the following:

- (1) The Chair of the Board
- (2) The Company Secretary
- (3) Any member of the Board other than the Chair
- (4) The Chief Executive

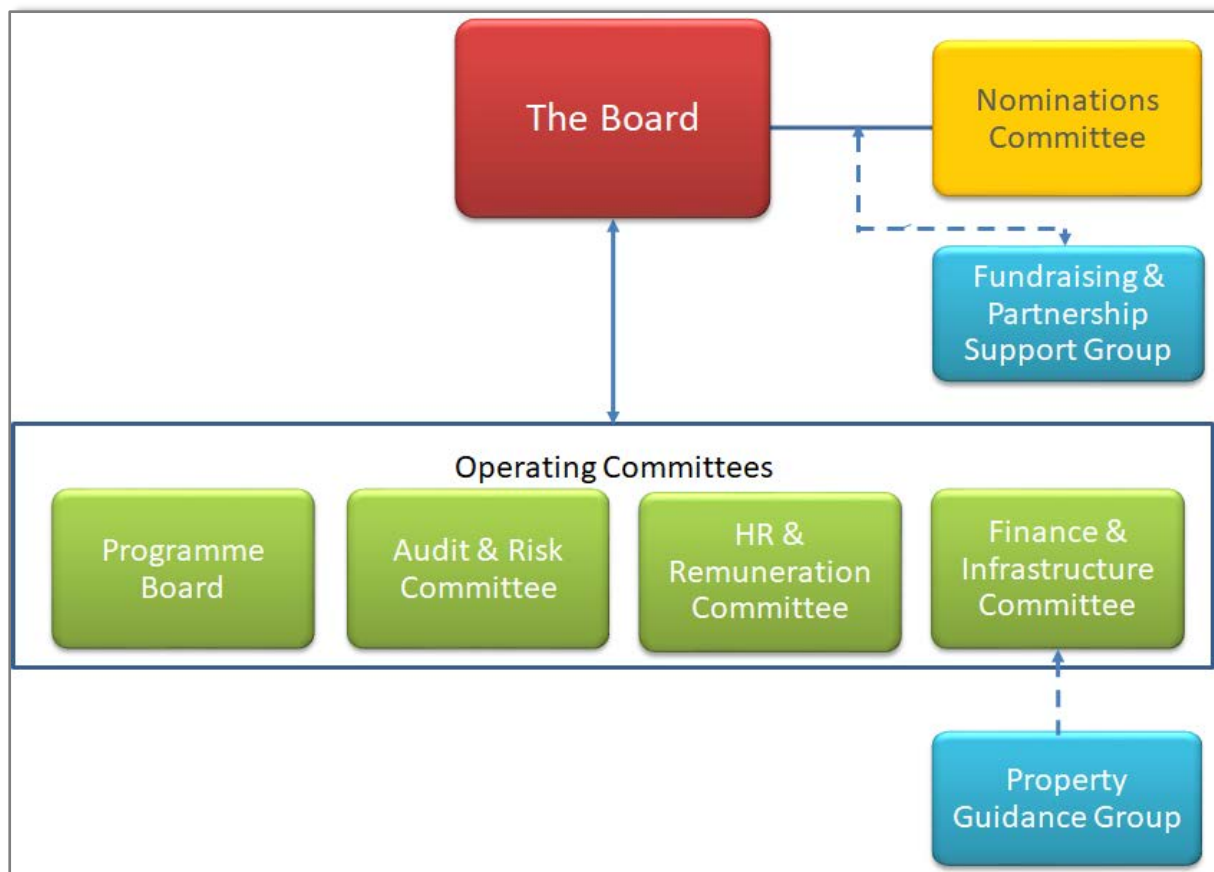
Records of Attestation

- 12.5 The Company Secretary attesting the execution of any document under the Seal shall ensure that a record of the of that document is entered in a book which must be kept for that purpose.

13. COMMITTEES

Constitution of Committees

13.1 The Board may constitute committees of its members, to which it may delegate such of its functions as it may specify, with such terms of reference and with such powers as it may determine. The Board has adopted the following Committee structure in order to undertake its business. Membership, quoracy, and frequency of meetings is shown in Appendix A and the Main Committees terms of reference are detailed in Appendix B.



13.2 Unless any such committee is explicitly delegated with powers of determination, all findings of that committee shall be of an advisory nature only.

Procedures of Committees

13.3 The Board, through the Nominations Committee, shall appoint the Chair of any committee which it may establish.

13.4 The provisions of these Standing Orders shall apply as if the committee were referred to instead of the Board, except that no business shall be transacted at any meeting of any committee unless at least two Board Members are present.

- 13.5 Each committee shall observe its Terms of Reference (See appendix B) which shall be approved by the Board
- 13.6 Any such committee shall, subject to any directions by the Board, meet at such times and at such places as the committee may from time to time determine.

14 DELEGATION BY THE BOARD

Delegations

- 14.1 The Board may decide to delegate, where it has power to do so, responsibility for specified matters to:
- (1) A committee of the Board; or
 - (2) Any committee of officers; or
 - (3) Any officer.

Any specific delegation may refer to posts, as distinct from referring to the individuals who occupy those posts.

Scheme of Delegations See part 3

- 14.2 A scheme of delegations, which will be updated regularly, provides Board guidance covering:
- (1) Matters which are delegated, and
 - (2) Matters which are reserved for decisions by the Board (see paragraph 10.2).

15 EMERGENCY ACTION

Procedure

- 15.1 Between meetings of the Board, the Chief Executive (or in his / her absence, the nominated Officer) after consultation with the Chair (or, in his/her absence, the Deputy-Chair or Secretary to the Board), may authorise such action to be taken on behalf of the Executive as may be required with respect to matters which will not admit delay, provided that all such action must be reported to the next scheduled meeting of the Board.

16 INSPECTION OF DOCUMENTS

Member's Right to Inspect

- 16.1 A Board Member may, for the purposes of his/her duty as such member but not otherwise, on application to the Secretary to the Board, inspect any document of a committee or of the Board and if copies are available shall on request be supplied with a copy of such a document.

Professional/Pecuniary Interests

- 16.2 A Board Member shall not knowingly inspect and shall not call for a copy of any document relating to a matter in which he or she is professionally interested or in which he or she has directly or indirectly any pecuniary interest.

17 APPOINTMENTS

Canvassing

- 17.1 Canvassing of members of the Board for any appointment under the Executive shall disqualify the candidate concerned for that appointment.
- 17.2 A member shall not solicit for any person for any appointment by the Executive.
- 17.3 A member shall not solicit for any public or private enterprise or third party in relation to any appointment/contract.

18 References

- 18.1 A member shall not give a written testimonial of a candidate's ability, experience or character for submission to the Executive with an application for appointment unless the applicant is currently that member's employee.

19 Disclosure of Relationships

- 19.1 Every applicant for a post as an officer or appointee of the Executive shall be required, when making application, to disclose in writing whether to his/her knowledge he/she is related to any Board member officer of the Executive or principal adviser.
- 19.2 An applicant who fails to so disclose shall be disqualified for such appointment and, if appointed, shall be liable to dismissal without notice.

20 CONFIDENTIALITY

- 20.1 All agenda reports and other documents and all proceedings of the Board or of a committee shall be treated as confidential unless and until:
- (1) The Board or the Chairman decides otherwise; or
 - (2) They become public in the ordinary course of the Executive's business; or
 - (3) Confidentiality is, in all the circumstances, incompatible with any right of access to information conferred by the Freedom of Information Act 2000.

21 DUTY TO PROMPTLY RAISE CONCERNS WITH BOARD

- 21.1 A Board Member who considers it his/her duty in the public interest to raise any question affecting the policies, procedures, reputation, integrity or impartiality of the Executive should do so promptly with the Board.

22 DOSSIER OF CONTROLS

- 22.1 The Board and all officers shall comply with the Financial Memoranda (contracts between public funding bodies and the Company) and the Dossier of Controls.

23 REVOCATION AND VARIATION OF STANDING ORDERS

Suspension

- 23.1 No Standing Order adopted by the Board shall be suspended at any meeting of the Board except by consent of at least five members present thereat.

Variation and Revocation

- 23.2 The Standing Orders for the time being, may from time to time be varied or revoked and additional Standing Orders may be adopted. Such variations, revocations and/or additions may only be made with the consent of 75 percent of the members of the Board.

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Part 3 - Board Scheme of Delegations

1. Scheme of Delegations

- 1.1 Regardless of any delegation, the Board continues to have discretion to decide any matter which is within the scope of its statutory functions.
- 1.2 The matters listed in Part 2 Governance, section 10.2, are reserved to the Board.
- 1.3 The functions specified in following table are delegated to the post-holders specified in that table. (In the present context as a start-up, a reference to any post refers not just to an individual who is a post-holder, but also to anybody who is temporarily authorised to carry out the duties of that post).

(1)	<p>Write- Off Limits</p> <p>Authority to write off an invoiced debt or waive a claim up to a limit of £50.</p>	<p>SLT Member and approved by the Finance Manager</p>
(2)	<p>Staff Ex-gratia payments</p> <p>Authority to approve extra contractual and ex-gratia payments up to £1,000 provided this does not exceed the overall budget, or unless considered novel or contentious, or have or could have significant future cost implications.</p>	<p>COO</p>
	<p>Budgetary Planning and Control</p> <p>The Board approves the staffing structure presented by the Chief Executive. The Chief Executive is delegated to appoint employees according to the number and grades approved by the Board. The CEO may appoint external consultants to posts and will be required to meet this within existing budgets. The CEO is responsible for all other contracted services that are in line with the annual budget approved by the Board.</p> <p>The COO will be responsible to the Finance & Infrastructure Committee for reporting all variations to the budget. Any variation to the public funded element of the budget must, in addition, be approved by the respective funding body(s). The Finance Manger will provide a Monthly Monitoring Pack for scrutiny by the Finance & Infrastructure Committee; and copies to the CEO and SLT members and specific budget holders</p> <p>All budgets will be centrally controlled and allocated in line with the 'approved budget'.</p>	<p>CEO</p> <p>COO</p>

<p>All appointments will be approved by the HR & Remuneration Committee and scrutinised in line with the approved establishment/head count.</p> <p>All contracted services will be allocated according to need.</p> <p>Remuneration and all other expenditure will be allocated and procured in line with the 'Capitalisation/Revenue Analysis' agreed with the DfE which established the basis of the Revenue and Capital Grant allocations. The delegation of budgets will not proceed until all senior staff and the respective budget holders are in place. For delegation to proceed additional budgetary control procedures are to be put in place.</p> <p>Budgets and expenditure will remain centrally controlled. The People & Opportunities Manager will oversee the making all appointments and be responsible for –</p> <ul style="list-style-type: none"> • Structure and posts – maintaining establishment control • Job descriptions/specifications • Appointing recruitment consultants • Advertising in the appropriate media • Controlling all remuneration offers • Interview process to ensure equal opportunities and appropriate assessments are undertaken to appoint the right individuals • Negotiating starting salaries within budget and issuing contracts of employment • Maintaining staff records • Staff benefits • Pensions • Relocations • Staff expenses • Staff grievances • Whistleblowing policy • Agreeing variations to contracts in line with budgets • Reporting to the CEO and budget holders the position financial and performance management targets of key individual members of staff; and reporting variations to the CEO prior to commitment. <p>Ordering services, goods and works for non-pay expenditure. All budget holders will be responsible for contracting services but will agree with the Procurement Manager all contracted services for all thresholds detailed in the Procurement Regulations. All non-pay expenditure will be centrally controlled</p>	<ul style="list-style-type: none"> • The COO will be responsible for all budgetary control in the first year November 2017 to July 2018. • All appointments will be undertaken by the CEO and SLT members. • All remuneration will be agreed by the HR & Remuneration Committee and ratified by the Board • People & Opportunities Manager (POM) will manage all appointments. Any variation to remuneration will be agreed with the CEO and reported to the HR & Remuneration Committee provided the overall budget is not affected and that differentials are not impaired as it affects a particular post. • No position in the structure will be appointed 'in advance of need'. • POM will instruct the Finance Manager of a new appointment provided by a New Starter Form detailing the remuneration details of the new appointments • The Finance Manager will enter the details onto the
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	<p>with delegations to budget holders to be considered in the academic year 2018/19.</p> <p>COO will be responsible for placing orders once the procurement process has been completed. Orders are placed on-line subject to approval by the Finance Director. Invoices will be passed to the Finance Manager for payment, once authorised by the budget holder.</p>	<p>Payroll System ready for approval by the Director of Finance</p> <ul style="list-style-type: none"> • The COO/ Procurement Manager/& SLT representative jointly will ensure all services are contracted on a priority needs basis (see Procurement Regulations herein and Procedures). All budgets will be allocated for a given purpose supported by the need to build the new institution. No service will be procured 'in advance of need'. • The Finance Director will be responsible for overall control of revenue and capital spending. The Finance Manager will maintain the appropriate accounting records to reflect the appropriate Chart of Accounts in line with the reporting requirements of the funding bodies and the Public Accountable Body. • The Finance Director will provide all the necessary Finance Reports and commentaries for Capital and Revenue Spending. • The Finance Manager will be responsible for maintain all finance records including the Xero Accounting, on-line expenses system, and timesheet management system.
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<p>(4)</p>	<p>Financial Administration</p> <p>The COO is the designated officer responsible for ensuring the financial administration of the NMiTE's affairs.</p> <p>In particular, he/she is responsible for preparing annual estimates of income and expenditure, for consideration and approval by the Board, and for the management of budget and resources, within the estimates approved by the Board.</p> <p>The COO shall demonstrate his or her oversight of financial matters by signing the balance sheet and the statement of corporate governance and internal control within the annual financial statements.</p> <p>All orders for services shall be raised by the appropriate SLT member and have access to the on-line ordering system in Xero. The COO/ shall authorise the payments in line with the budgets provided.</p> <p>*Prior to the COO being in post these duties shall be undertaken by the Interim COO and Secretary to the Board (Interim Finance Director)</p>	<p>COO</p> <p>COO Finance Director/Finance Manager</p>
<p>(5)</p>	<p>Payroll</p> <p>The People & Opportunities Manager (POM) will be responsible for issuing Start-up/Leavers or variations to payroll for approval by the CEO.</p> <p>The CEO will authorise all Start-up/Leaver/Variation Forms.</p> <p>Payroll will be overseen by the POM, and all transactions will be processed by the Finance Manager. The Finance Manager will ensure all staffing details are correct and in line with the budget and start-up instructions.</p> <p>The Finance Manager will calculate the HMRC, Pensions, and other deductibles; manage and maintain records for</p> <ul style="list-style-type: none"> • Pay records and calculations • Payslips • HMRC returns – P32s/P45s/P60s/P11Ds etc. • Manage and update tax code changes <p>Finance Director will check all records every month.</p>	<p>CEO</p> <p>POM/Finance Manager</p> <p>(Finance Manager)</p> <p>Finance Director</p>

	<p>Finance Director will reconcile the payroll for each month and authorise the payment with the bank for staff net pay, HMRC, pensions, and other authorised deductibles.</p>	
	<p>Banking Arrangements</p> <p>Banking arrangements require the raising of a payment and the authorisation to be carried by separate individuals. Those with access to banking arrangements are referred in the following column.</p> <p>Banking signatures will be the CEO, COO, Finance Director and Company Secretary</p> <p>All bank transactions will require two signatures. The Finance Manager will set up all bank transactions to be authorised and executed by two of the authorised signatories</p> <p>Transactions will be limited to £20,000. Transactions over £20,000 will require the approval of the COO.</p> <p>All banking arrangements will be managed by the COO and the Finance Director.</p>	<p>COO</p> <p>Finance Director</p> <p>Company Secretary</p> <p>CEO</p>
	<p>Income</p> <p>The Finance Director will be responsible for managing the following income sources supported by the Finance Manager:</p> <ul style="list-style-type: none"> • DfE Capital and Revenue Grants • Local Growth Funds from the Marches LEP/DCLG • Capital and Revenue Donations/Bequests (Earmarked) • Capital and Revenue Donations (Unearmarked) • Trading Income • Tuition Fees <p>The Finance Director will oversee all grant claims and monitoring reports for the DfE/LEP funding and co-ordinating the requirements of the Public Accountable Body (Herefordshire Council).</p> <p>The Finance Director will also be supported by all SLT members in providing all evidence supporting the claims and the achievements of the DfE milestones.</p>	<p>Finance Director/Chief Fundraising Officer</p> <p>SLT Members</p> <p>Chief Fundraising Officer</p>

<p>Donations will be managed on a case by case basis to meet the conditions and bequest of the donors. The Chief Fundraising Officer will maintain a record for all donors and ensure that NMiTE is compliant with the fundraising regulations and Charity Commission best practice.</p> <p>Income from employers and others for services rendered. The Finance Director will ensure that all income collectable through contract and services rendered are managed through the Finance Manager. The Finance Manager will maintain a record of all collectable income and manage the recovery of all debtors raised.</p> <p>The Chief Academic Officer supported by The Registrar will maintain all student records and be responsible for all student systems. The Finance Director will ensure that all income from students is collected and banked.</p> <p>Debtor Control</p> <p>All debtor income will be controlled by the Finance Manager. The Finance Manager will be responsible for the Debtor Control System and report to the Finance Director on all outstanding amounts and recovery procedures.</p>	<p>Chief Partnerships Officer</p> <p>Finance Manager</p> <p>Chief Academic Officer</p>
<p>Time Management System</p> <p>The Chief of Staff is responsible for the Time Management System and that all online timesheets are completed and approved for month end reporting.</p> <p>The Chief of Staff, as Programme Manager, is responsible for reporting to the CEO on staff productivity, Project Implementation Targets, and milestone achievements.</p>	<p>Chief of Staff</p>

- 1.4 The Board delegates all other matters (“the residual matters”) to the Chief Executive. (In the present context, the term “Chief Executive” includes any person deputising for the Chief Executive). All other activities are governed by the appointment of individual post-holders as and when they are appointed. Until then there are few delegations and the Board makes decisions on all matters outside these delegations.
- 1.5 The residual matters delegated to the Chief Executive are categorised as follows:

Governance

- Approval of arrangements for dealing with complaints.
- Approval of principles of Executive policy on Freedom of Information.

Policy, Strategy, Plans, Budgets and Risk Register

- Approval of format and principles of developing and reporting policies, strategies, plans, budgets and register risks.

Land & Property Issues

- There are no delegations for Land and Property – all negotiations and acquisitions need the approval of the Board that shall benefit from observations of the Property Guidance Group

Authority to Incur Expenditure Generally

- Generally, the Annual Budget approval by the Board provides authority to incur all expenditure specified within the Budget.
- Whenever such expenditure on a heading or programme (e.g. procurement strategy for all major services) requires to be tendered, then the authority to incur such expenditure (i.e. before being tendered) will require specific approval by the Board. See Procurement Regulations and Procedures.

1.6 The delegations set out in this Scheme do not diminish, or in any respect, affect:

- The Chief Executive's accountability for the actions of all officers;
- Any Director's accountability for the action of all officers within that Director's division.

1.7 In the event of any conflict between any provision of this scheme and any provision of any Board approved financial regulations the relevant provision of the regulation shall prevail.

Part 4 – Financial Regulations

1 Financial Planning

1.1 The Chief Operating Officer (COO), supported by the Finance Team, is responsible for preparing annually a financial plan for approval by the Board and for preparing financial forecasts for monitoring purposes. Financial plans should be consistent with the strategic plans and property strategy approved by the Board. The key contacts for finance are detailed in Appendix C.

1.2 Budget objectives

The Board will, from time to time, set budget objectives for the NMiTE. These will help the COO in preparing his or her more detailed financial plans for the NMiTE. See budget cycle in paragraph 2.3.

1.3 Resource allocation

Resources are allocated annually by the Board and on the basis of the above objectives. CEO, and SLT are responsible for the economic, effective and efficient use of resources allocated to them.

1.4 Budget preparation

The COO in collaboration with SLT members is responsible for preparing each year an annual revenue budget and capital programme (if any) for submission to the Board. The budget should also include monthly cash flow forecasts for the year and a projected year-end balance sheet (if required in future).

During the year, the COO is responsible for submitting revised budgets for submission to the Board for approval.

1.5 Capital programme

The capital programme includes all expenditure on land, buildings, equipment, furniture and associated costs whether or not they are funded from capital grants or capitalised for inclusion in the NMiTE's financial statements. Expenditure of this type can only be considered as part of the capital programme approved by the Board.

The COO will establish protocols for the inclusion of capital projects in the capital programme for approval by the Board. These will set out the information that is required for each proposed project as well as the financial criteria that they are required to meet. They are summarised at Appendix F and G.

The COO will also establish procedures for the approval of variations.

The COO is responsible for providing regular statements concerning all capital expenditure to the Board for monitoring purposes.

Following completion of a capital project, a post-project evaluation or final report should be submitted to the Board including actual expenditure against budget and reconciling funding arrangements where a variance has occurred as well as other issues affecting completion of the project.

The Chief Digital & Infrastructure Officer will be responsible for individual capital development projects reporting to the Finance & Infrastructure Committee on the progress of each development and for the Capital Programme overall. The COO, supported by the Finance Director, will report on financial implications, provide support on funding and financing of projects, make the necessary grant claims as well as providing the necessary financial monitoring.

1.7 Other major developments

Any new aspect of business, or proposed establishment of NMITE or joint venture, which will require an investment in buildings, resources or staff time should be presented for approval to the Board.

The COO will establish protocols for these major developments to enable them to be considered for approval by the Board. These will set out the information that is required for each proposed development as well as the financial criteria that they are required to meet. They are summarised at Appendix G.

2 Financial Control

2.1 Budgetary control

The control of income and expenditure within an agreed budget is the responsibility of the designated budget holder who must ensure that day-to-day monitoring is undertaken effectively.

Significant departures from agreed budgetary targets must be reported immediately to the COO and, if necessary, corrective action taken.

The Finance & Infrastructure Committee is charged with monitoring the annual budget and all projects included in the Capital Programme and in the Project Implementation Programme. Reports to the Finance & Infrastructure Committee will be provided on a monthly basis and monitoring of performance will be reported to the Board by the Chair of the Committee. The reports will provide analysis on financial progress, variations to plan and on the performance and achievability of outcomes in line with the DfE milestone targets. All Board members will receive a regular monthly monitoring report but it will be the responsibility of the Finance & Infrastructure Committee to challenge officers on performance.

2.2 Financial information

The budget holders are assisted in their duties by management information provided by the COO.

The COO is responsible for supplying budgetary reports on all aspects of the NMiTE's finances to the Board on a basis determined by the Board but subject to any specific requirements of any external stakeholder. These reports are presented to the Board, which has overall responsibility for the NMiTE's finances.

The COO is responsible for:

- Setting the Annual Budget;
- Long Term Financial Planning; and
- And for the process of approving the Annual Accounts.

2.3 Changes to the approved budget

All changes proposed to the approved budget will be considered by the Finance & Infrastructure Committee (FIC) and material variations approved by the Board.

The timetable below shows the main stages of the Budget Planning Round.

Month/Year	Activity
Jun/Jul	<p>Formal planning guidance issued by the Finance Director. This will provide for reported position and any variations on the grant funding profiles provided by the DfE/DCLG/The Marches LEP and the Public Accountable Body, Herefordshire Council.</p> <ul style="list-style-type: none"> ▪ Changes to accounting practice. ▪ Budgeting metrics to be used for the forthcoming academic year e.g. inflation indices and interest rates. ▪ Use of unspent balances
Jul-Dec	<ul style="list-style-type: none"> ▪ Budget holders prepare the financial forecasts for their respective areas of responsibility in line with the management cost centres in the Chart of Accounts and other institutional wide programmes i.e. they cost the Institution's Strategic Plans. The key cost centres are: <ul style="list-style-type: none"> - Academic Programmes - Campus & Infrastructure - Business Development & Marketing

	<ul style="list-style-type: none"> - Fundraising - Creating the Institution <ul style="list-style-type: none"> ▪ The involvement of central finance staff in this process is paramount with central control remaining a key role in the first budgetary cycle. Devolving more responsibility to the budget holders will happen as the organisation becomes more mature and the risks associated with financial planning are minimised. ▪ The financial forecast is reviewed and approved by the respective SLT members and the CEO. ▪ The financial forecasts are submitted to Finance & Infrastructure Committee for scrutiny, and to the MoU auditors, the Public Accountable Body, and the funding bodies. ▪ All comments are then passed to the Finance Director for final approval of the budget by the Board.
Sep/Oct	Actual income and expenditure for the last financial year is analysed by Finance into the same activity categories as used in planning.
Beginning of Dec	<p>Submitted to Finance & Infrastructure Committee (FIC)/ Regulatory Bodies</p> <ul style="list-style-type: none"> ▪ Financial forecasts including Annual Revenue Budget, Capital programme and Cash flow (geared to fiscal years as a result of the funding and milestone targets in future years deliverable in March. ▪ Annual/Quarterly Reports on funding position supplied by MoU Auditors ▪ Student number forecasts (when planned) ▪ Every three years - Strategic Plans
Mid Dec	<p>Feedback from FIC/Regulatory Bodies</p> <ul style="list-style-type: none"> ▪ Review financial forecasts submitted ▪ Consolidate individual feedback ▪ Create NMiTE wide analyses of income and expenditure

	<p>Board</p> <ul style="list-style-type: none"> ▪ Develop and review Strategic Plans ▪ Review and consolidate forecast of non-financial data and reassessed target setting for the Project Implementation Plan
Jan/Feb	<p>Strategic Plans are reviewed.</p> <ul style="list-style-type: none"> ▪ Finance & Infrastructure Committee review the Strategies ▪ For other Institutions the meeting will be chaired by an appropriate person (e.g. the Fitzwilliam Strategic Plan review meeting is chaired by Chair of the School of Arts & Humanities)
Feb/Mar	<p>Finance</p> <ul style="list-style-type: none"> ▪ Considers plans i.e. Financial (SLT), Strategic (SLT), Fundraising (CFO) , Income Generation Strategy (CPO) ▪ Agrees provisional allocations to SLT, and Project Manager re the Project Implementation Plan
Apr	Finance & Infrastructure Committee consider Plans and Allocations
May	The Board considers the Plans and Allocations
May/Jun	Budget Report in the public domain and sent to Regulatory Bodies
Jun	Budget Report approved by the Board after considerations from FIC and the Board
Jul/Aug	Departmental budgets produced by Finance Manager and passed to budget holders
Aug	Budgets uploaded into Xero by Finance Manager.

2.4 Virement

All virements will need approval by the FIC and budget variations affecting the use of public funds reported relevant funders. See Scheme of Delegations.

2.5 Treatment of year-end balances

At the year end, budget holders will not generally have the authority to carry forward a balance on their budget to the following year unless the FIC has approved the proposal.

Unspent public funds may not be carried forward from one fiscal year to the next unless requested to and approved by the relevant funding body.

3 Accounting Arrangements

3.1 Financial year

The NMiTE's financial year, is an academic year, and will run from 1 August until 31 July the following year.

3.2 Basis of accounting

The financial statements are prepared on the historical cost basis of accounting and in accordance with applicable accounting standards and guidelines, in particular meeting the statutory obligations including the current HE/FE SORP and Charities SORP and such requirements defined by the Office for Students.

3.3 Format of the financial statements

The financial statements are prepared in accordance with the Office for Students and Charities Commission standards (once NMiTE has registered with the Charities Commission) and are to be adopted for the financial year ending 31 July 2017.

3.4 Capitalisation and depreciation

New land and buildings will be recorded in the balance sheet at actual build or acquisition cost, except where they are received as gifts, where they will be recorded at an independent valuation. Buildings will be depreciated in equal installments over their estimated remaining useful life. Land will not be depreciated.

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

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 is £1,000 or more. Grouped items (e.g. a suite of computers) with an individual value of less than £1,000, but a group value of £1,000 or more, will be capitalised. Capitalised assets other than land and buildings will be depreciated over a period of between 3 and 10 years commencing in the month following acquisition.

3.5 Accounting & Administrative records

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

The NMiTE is required by law to retain prime documents for six years or more. These include:

- minutes and contracts
- official purchase orders
- paid invoices
- accounts raised
- bank statements
- copies of receipts
- paid cheques
- all payroll records.

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

The COO should ensure that retention arrangements comply with any specific requirements of any donor or public funding body..

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

3.6 Public access

Under the terms of the Charities Act 1993, the Board is required to supply any person with a copy of the NMiTE's most recent financial statements within two months of a request. The Act enables the Board to levy a reasonable fee and this will be charged at the discretion of the COO. The NMiTE 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 NMiTE's website.

3.7 Taxation

The COO, supported by the Finance Director, is responsible for budget holders, in the light of guidance issued by the appropriate bodies and relevant legislation as it applies, on all taxation issues, to the NMiTE. Therefore the COO will issue instructions on compliance with statutory

requirements including those concerning VAT, PAYE, national insurance, corporation tax and Gift Aid.

The COO is responsible for maintaining the NMiTE's tax records, making all tax payments, receiving tax credits and submitting tax returns by their due date as appropriate.

4 Audit Requirements

4.1 General

External auditors shall have authority to:

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

The COO, supported by the Finance Director, is responsible for drawing up a timetable with the external auditors for the preparation of annual accounts and will advise staff/Directors accordingly.

The financial statements should be reviewed by the Audit & Risk Committee and, on their recommendation will be submitted to the Board for approval.

4.2 External audit

The appointment of external auditors for the main financial statements of the NMiTE will take place annually and is the responsibility of the Board. The Board will be advised by the Audit Committee.

The primary role of this external audit is to report on the NMiTE'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 relevant audit code of practice and the Auditing Practices Board's statements of auditing standards.

During the period of the draw-down of DfE and LEP funding the external auditors will have additional responsibilities to provide assurance to the DfE, DCLG, the Marches LEP and Herefordshire Council as the Publicly Accountable Body. Such additional duties will be defined under the MoU and associated documentation between DfE, Herefordshire Council and NMiTE.

The MoU Audits will take place every quarter and report on compliance and performance of the actual spend against budget and achievement of milestones. The auditors will be responsible for reporting to the external auditors and the Section 151 Officer of Herefordshire Council on NMiTE performance reporting on any non-compliant issues and ensuring that all payments and funds to be committed are justified on a basis of need. Full Annual Reviews will be carried out by the auditors in February of each year during the support funding fiscal period between 2017/18 to 2019/20. This will include an opinion on the achievability of the milestone targets set by the DfE.

4.3 Internal Audit

In the first 2-3 years of operation the requirement for internal audit will not be necessary. The regular quarterly audits, and the Full Annual Reviews by the external auditors will ensure there is a continuous audit presence during the financial year and all areas of high risk will be reviewed to support the any drawdown of funding.

4.4 Fraud and corruption

It is the duty of all Directors and staff and the Board to notify the COO immediately whenever any matter arises which involves, or is thought to involve, irregularity, including fraud, corruption or any other impropriety.

The COO shall immediately invoke the fraud response plan, which incorporates the following key elements (see Appendix D for Public Interest Disclosure Act 1998, Appendix E the Seven Principles of Public Life, and Appendix H on Fraud Response Plan for fuller details):

- The Chair of the Board and the Chair of the Audit & Risk Committee of the suspected irregularity and shall take such steps as he or she considers necessary by way of investigation and report
- the COO (or an appropriate person) shall inform the police if a criminal offence is suspected of having been committed
- the Audit & Risk Committee shall commission such investigation as may be necessary of the suspected irregularity
- those commissioned to carry out an investigation, shall prepare a report for the Audit & Risk Committee on the suspected irregularity. Such report shall include advice on preventative measures.

4.5 Value for money

The NMiTE should keep under review its arrangements for managing all the resources under its control through the Audit & Risk Committee, taking into account guidance on good practice issued from time to time by public funding bodies, the National Audit Office, the Public Accounts Committee or other relevant bodies.

4.6 Other auditors

The NMiTE may, from time to time, be subject to audit or investigation by external bodies such as Office for Students, the European Court of Auditors, HM Revenue and Customs. They have the same rights of access as external auditors.

5 Treasury Management

5.1 Treasury management strategy.

The Board is responsible for approving a treasury management strategy (if it has long term borrowings or significant reserves to invest) setting out the policies for cash management, long-term investments and borrowings. The Board has a responsibility to ensure implementation, monitoring and review of such policies.

All executive decisions concerning borrowing, investment or financing will be determined by the policy parameters set by the Finance & Infrastructure Committee and approved by the Board) and an appropriate reporting system set up to monitor performance of investments made. The COO will report to the Board in each financial year on the activities of the treasury management operation and on the exercise of treasury management powers delegated to him or her (including a Mid-Year Monitoring Report and an Annual Report on the past year's performance. The COO, with the Board's approval, will require external expert advice on developing an investment strategy.

5.2 Appointment of bankers and other professional advisers

The Board is responsible for the appointment of the NMiTE's bankers and other professional financial advisers (such as investment managers, if required). The appointment shall be for a specified period after which consideration shall be given by the Board to competitively tender the service. The NMiTE current bankers and other professional advisors are:

BANKERS

Handelsbanken
Hereford Branch
Broadway House
32 – 35 Broad Street
Hereford
HR4 9AR

ACCOUNTANTS

Thorne Widgery Accountancy Limited
Chartered Accountants
2 Wyevale Business Park
Kings Acre
Hereford, HR4 7BS

LEGAL ADVISERS

To be appointed

5.3 Banking arrangements

The COO is responsible for liaising with the NMiTE's bankers in relation to the NMiTE's bank accounts and the issue of cheques. All cheques shall be ordered on the authority of the COO, who shall make proper arrangements for their safe custody.

Only the COO may open or close a bank account for dealing with the NMiTE's funds (by strict instruction from the Board). All bank accounts shall be in the name of the NMiTE.

All internet transactions, direct debits, standing orders cheques or other banking transactions shall be authorized by two of these authorised Officers: COO, Finance Director, Company Secretary and CEO

The upper limit of electronic transaction is currently set at £20,000 per transaction.

All automated transfers on behalf of the NMiTE, such as BACS or CHAPS, must be authorised in the appropriate manner and on the basis approved by the Board.

The COO is responsible for ensuring that all bank accounts are subject to regular reconciliation.

6 Income

6.1 General

The COO is responsible for ensuring that appropriate procedures are in operation to enable the NMiTE to receive all income to which it is entitled. All receipt forms, invoices, tickets or other official documents in use and electronic collection systems must have the prior approval of the COO. All income receipts should be addressed to NMiTE's Offices or paid directly into the NMiTE's bank accounts.

Levels of charges for contract research, services rendered, goods supplied and rents and lettings are determined by procedures approved by the Board.

See Scheme of Delegations for the prompt collection, security and banking of all income received; for ensuring that all grants notified by the funding body are received and appropriately recorded in the NMiTE's accounts; and for ensuring that all claims for funds, including research grants and contracts, are made by the due date.

6.2 Maximisation of income

It is the responsibility of all SLT members/staff to ensure that revenue to the NMiTE is maximised by the efficient application of agreed procedures for the identification, collection and banking of income. In particular, this requires the prompt notification to the COO of sums

due so that collection can be initiated.

6.3 Receipt of cash, cheques and other negotiable instruments

All monies received from whatever source must be recorded on a daily basis together with the form in which they were received, for example cash, cheques and other negotiable instruments.

All monies received must be paid to the Finance Office. The custody and transit of all monies received must comply with the requirements of the NMiTE's insurers.

All sums received must be paid in and accounted for in full, and must not be used to meet miscellaneous expenses or be paid into a petty cash float. Personal or other cheques must not be cashed out of money received on behalf of the NMiTE.

Receipts by credit or debit card: In the first year of operation there will be no credit/debit cards issued by NMiTE.

Internet receipts: any Director/staff wishing to arrange for payment to be made to NMiTE by the internet should seek guidance from the COO at an early stage.

6.4 Collection of debts

The COO should ensure that:

- debtors' invoices are raised promptly on official invoices, in respect of all income due to the NMiTE (the Finance Director will be responsible for ensuring that procedures are in place raising invoices)
- invoices are prepared with care, recorded in the ledger, show the correct amount due and are credited to the appropriate income account
- any credits granted are valid, properly authorised and completely recorded
- VAT is correctly charged where appropriate, and accounted for
- monies received are posted to the correct debtors account
- swift and effective action is taken in collecting overdue debts
- outstanding debts are monitored and reports prepared for management.

Only the COO can implement credit arrangements and indicate the periods in which different types of invoice must be paid.

Requests to write off debts must be referred in writing to the COO for submission to the Finance & Infrastructure Committee for consideration and possible write-off.

7 Other Income-Generating Activity

7.1 European Union (EU) and other matched funding

Any such project requires the approval of the Board prior to any commitment being entered into. Such approval shall be dependent upon eligible matching funds are available and that the project is financially viable by the application of the NMiTE's costing and pricing policy. The Finance Director is responsible for submitting bids for funding, subject to approval by the Board; and where successful, for submitting income claims.

8 Intellectual Property Rights and Patents

8.1 General

Certain activities undertaken within the NMiTE including research and consultancy may give rise to ideas, designs and inventions which may be patentable. These are collectively known as intellectual property.

8.2 Patents

The Board is responsible for establishing procedures to deal with any patents accruing to the NMiTE from inventions and discoveries made by staff in the course of their research.

8.3 Intellectual property rights

In the event of the NMiTE deciding to become involved in the commercial exploitation of inventions and research, the matter should then proceed in accordance with the intellectual property procedures issued by the NMiTE.

9 Expenditure

9.1 General

The Finance Manager is responsible for making payments to suppliers of goods and services to the NMiTE.

9.2 Scheme of delegation/financial authorities

When control is transferred from the centre the CEO and SLT members are responsible for purchases within his or her area of responsibility. Purchasing authority may **not** be delegated to any other individual within NMiTE. In exercising this delegated authority, budget holders are required to observe the purchasing policies. The Board will review the approved budget holders on an annual basis.

The COO shall keep a record of the authorised signatories and the budget holders must supply him or her with their specimen signatures authorised to certify invoices for payment.

Budget holders are not authorised to commit the NMiTE to expenditure without first reserving sufficient funds to meet the purchase cost.

All purchases shall require the approval of the COO.

9.3 Procurement

The NMiTE requires the budget holders, irrespective of the source of funds, to obtain goods, works and services on the basis of “Best Value” demonstrating a balance between the most economically advantageous offer and consideration of quality, design delivery requirements and sustainability. Factors to be considered in determining lowest cost are noted in Part 5 Procurement Regulations.

9.4 Purchase orders

The ordering of goods and services shall be in accordance with the NMiTE’s purchasing policy outlined in Part 5 Procurement Regulations and Appendices I and J.

Official NMiTE orders must be placed for the purchase of all goods or services, except for personal expenses claims (also budget holders will have oversight of budgets and budgetary control for travel, accommodation and subsistence expenses for all Directors and individual claims and need to ensure effective control over these claims).

In exceptional circumstances, urgent orders may be given orally, but must be confirmed by an official purchase order endorsed ‘confirmation order only’ not later than the following working day. It is the responsibility of the Finance Manager to ensure that all purchase orders refer to the NMiTE’s conditions of contract (Appendix J). Invoices will be returned to suppliers unless an NMiTE order number is referenced.

9.5 Purchasing cards

There will be no purchasing cards issued to staff for at least first year of operation.

9.6 Business charge cards

There will be no business charge cards issued to staff for at least first year of operation.

9.7 Tenders and quotations

Budget holders must comply with the NMiTE’s tendering procedures contained in the NMiTE’s tendering practice, which are applicable as follows:

- a Purchases in total valued up to £15,000 excluding VAT – one formal quotation but officers must be able to demonstrate value for money has been obtained and that all other relevant aspects of NMiTE’s Procurement Regulations have been followed. See NMiTE’s Financial Regulations on obtaining value for money.

- b Purchases in total valued between £15,001 and £35,000 (inclusive) – at least two formal quotations must be obtained (see Part 5 The Procurement Regulations, section 13)
- c Purchases in total valued between £35,001 and £75,000 (inclusive) – at least three formal quotations must be obtained (see Part 5 The Procurement Regulations, section 13)
- d Purchases in total valued between £75,001 and up to relevant EU limit – formal tendering arrangements must be followed (see Part 5 The Procurement Regulations, section 13)
- e Purchases in total valued more than the relevant EU limit – The Public Contracts Regulations must be followed (see Part 5 The Procurement Regulations, section 14).

The main points covered by the NMiTE's code of tendering practice are described in Part 5 The Procurement Regulations.

9.8 Post-tender negotiations

Post-tender negotiations (i.e. after receipt of formal tenders but before signing of contracts) with a view to improving price, delivery or other tender terms can be entered into, provided:

- it would not put other tenderers at a disadvantage
- it would not have attracted different tenderers to participate in the process
- it would not affect their confidence and NMiTE in the NMiTE's tendering process.

However, complex rules govern post tender negotiations and the advice of the Commercial Team should be sought prior to commencing negotiations in accordance with 13.60 below. In each case, a statement of justification should be approved by the budget holder prior to the event, showing:

- background to the procurement
- reasons for proposing post-tender negotiations
- demonstration of the improved value for money.

All post-tender negotiations results are signed-off by the budget holder on the advice of the commercial team.

9.9 Contracts

Building (works) contracts are the responsibility of the Board and are administered by the Chief Digital & Infrastructure supported by the Campus Development Director.

Proposals will normally be initiated by the NMiTE's Estates Manager in respect of planned replacements and general improvement schemes.

Proposals shall be presented in the form of costings or investment appraisals prepared in conjunction with the COO, supported by the Finance Director, as appropriate for Board consideration. Investment appraisals should comply with the appropriate HM Treasury guidance.

Following consideration and approval by the Board, submissions should be forwarded to the funding body where appropriate (e.g. the LEP). If the required agreement is secured from the funding body, funding body procedural rules shall be followed. Funding body guidance on best practice should be followed even when funding body approval is not required.

The achievement of value for money will be an objective in the letting of all contracts.

Conditions of contract for the purchase of goods and services will be followed as described in the NMiTE's procedures described at Appendix J.

9.10 EU Procurement Rules

The COO is responsible for ensuring the NMiTE complies with its legal obligations concerning EU procurement legislation. EU procurement principles of equal treatment, non-discrimination and proportionality apply to all contracts, regardless of value. However, specific EU Procurement Rules apply to all contracts with a total value exceeding a threshold value. Please see the procurement regulations at 14 below.

The COO will advise budget holders on the thresholds that are currently in operation. A breach of these EU regulations is actionable by a supplier or potential supplier.

It is the responsibility of the budget holders to ensure that they and their staff/advisers comply with EU regulations by notifying the COO of any potential purchase that is likely to exceed the thresholds. This will need to be done well in advance in order to permit advertisements in journals such as the *Official Journal of the European Union* (OJEU).

The COO is also required to submit to the funding body annually details on expenditure which exceeds the threshold. Copies of the relevant documentation falling into this category must be provided by budget holders to the COO.

9.11 Receipt of goods

All goods shall be received at designated receipt and distribution points. They shall be checked for quantity and/or weight and inspected for quality and specification. A delivery note shall be obtained from the supplier at the time of delivery and signed by the person receiving the goods.

All goods received shall be entered onto an appropriate goods received document or electronic receipting system on the day of receipt. If the goods are deemed to be unsatisfactory, the record shall be marked accordingly and the supplier immediately notified so that they can be collected for return as soon as possible. Where goods are short on delivery, the record should be marked accordingly and the supplier immediately notified.

9.12 Payment of invoices

The procedures for making all payments shall be in a form specified by the COO with all invoices being sent directly to NMiTE Offices and **not** to the budget holders. The COO will make arrangements for authorisation either digitally or directly through the office. At no time should

the original invoice leave the NMiTE offices.

The details should be entered on the Accounting system to start the process of accounting and recording the age of the invoice and the appropriate charge in the accounts for the cost.

The COO is responsible for deciding the most appropriate method of payment for categories of invoice. Payments to UK suppliers will normally be made by digital banking arrangements, computer cheques or BACS transfer each week. In exceptional circumstances the COO will authorize the preparation of cheques for urgent payments.

Budget holders are responsible for ensuring that expenditure within their areas of responsibility does not exceed funds available. In the first year of operation all budgetary control will be centrally managed with budget holders overseeing their areas of responsibility and invoking the necessary authorisations to transact the business. In future delegated authority to budget holders will be allowed. In the event they do exceed their budgets the Chair of Finance & Infrastructure Committee will suspend the delegated authority of the budget holder, on the advice of the COO, to incur further expenditure. Such delegated authority may not be reinstated, if at all, the situation has been regularised.

This will be done by observing the following priorities:

1. Budget holder and the Finance Director to complete a revised budget for the year
2. The expenditure is brought into line during the year to meet the expected (prudent assessment) income for the rest of the year (e.g. to seek better value for money by more effective use of volunteers to replace contracted professionals)
3. Payment scheduling during the austerity period:
 - a. Income received during this period will first go to paying staff salaries and essential operational expenditure to keep NMiTE operational
 - b. If there is excess income after a. then regular/operational creditors should be paid for the current period
 - c. If there is excess income after a. and b. then the aged creditors should be paid
 - d. That sufficient reserves are built up to meet 3 months operational expenditure (i.e. a.+ b.).
 - e. Lifting the suspension on delegated powers will only take place once the Chair of Finance & Infrastructure Committee is satisfied the aged creditor have been completely paid off, reserves have been built up to the required level and NMiTE is operating to normal credit terms with its creditors.

Suppliers should be instructed by the budget holder to submit invoices for goods or services to Finance. Invoices will receive authorisation digitally from the budget holder.

Care must be taken by the budget holder to ensure that discounts receivable are obtained.

Payments will only be made by the COO against invoices that have been certified for payment by the appropriate budget holder.

Certification of an invoice will ensure that:

- the goods have been received, examined and approved with regard to quality and quantity, or that services rendered or work done is satisfactory
- where appropriate, it is matched to the order
- invoice details (quantity, price discount) are correct
- the invoice is arithmetically correct
- the invoice has not previously been passed for payment
- where appropriate, an entry has been made on a stores record or inventory

9.13 Director/Staff reimbursement

The NMiTE's purchasing and payments procedures are in place to enable the majority of non-pay supplies to be procured through the creditors system without SLT members/staff having to incur any personal expense. However, on occasion, SLT members/staff may incur expenses, most often in relation to travel, and are entitled to reimbursement.

Where such purchases by SLT members/staff are planned, the COO and the relevant budget holder may jointly approve cash advances to SLT members/staff who are going to incur expenditure on the NMiTE's behalf. Upon completion of the travel or project to which the advance relates, within one week a final account must be prepared to demonstrate how the advance was disbursed and any unspent balance repaid. Under no circumstances will a second advance be approved when the final accounting for an earlier advance to an individual is still outstanding.

9.14 Petty cash

The COO shall make available to budget holders such imprests as he or she considers necessary for the disbursements of petty cash expenses. However, it is important for security purposes that petty cash imprest floats are kept to a minimum.

Requisitions for reimbursements must be sent to Finance, together with appropriate receipts or vouchers, before the total amount held has been expended, in order to retain a working balance pending receipt of the amount claimed.

Anyone granted a float is personally responsible for its safe-keeping. The petty cash box must be kept locked in a secure place in compliance with the requirements of the NMiTE's insurers when not in use and will be subject to periodic checks by the Finance Manager.

Standard NMiTE petty cash books are supplied by Finance and must be used for recording all imprest accounts.

At the end of the financial year a certificate of the balances held should be completed by the budget holder responsible for the float and counter-signed by the Finance Manager.

9.16 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 NMiTE can be sued for non-payment.

In view of the penalties in this Act, the Board requires that authorised invoices must be passed for payment as soon as possible after they are received subject to funds being available.

10 Pay Expenditure

10.1 Remuneration policy

All NMiTE staff will be appointed to the salary scales approved by the Board and in accordance with appropriate conditions of service. All letters of appointment must be issued by the People and Opportunities Manager. SLT contracts shall be issued by the CEO & POM.

The Board will determine what other benefits, such as pensions, cars, medical and life insurance, are to be available, the basis of their provision (contributory or not) and the staff to whom they are to be available.

10.2 Appointment of staff

All contracts of service shall be concluded in accordance with NMiTE's approved human resource practices and procedures and all offers of employment with NMiTE shall be made in writing by the appropriate budget holder. Budget holders shall ensure that the People and Opportunities Manager is provided promptly with all information they may require in connection with the appointment, resignation or dismissal of employees.

10.3 Salaries and wages

The Finance is responsible for all payments of salaries and wages to all staff including payments for overtime or services rendered. Salaries will be paid on the fifteenth day of every month except when the fifteenth day is a Saturday or Sunday, in which case salaries will be paid on the

Friday preceeding.

The budget holders will be responsible for keeping Finance informed of all matters relating to human resources for payroll purposes. In particular these include:

- appointments, resignations, dismissals, supervisions, secondments and transfers
- absences from duty for sickness or other reason, apart from approved leave
- changes in remuneration other than normal increments and pay awards
- information necessary to maintain records of service for pensions, income tax and national insurance.

The Finance Manager is responsible for payments to non-employees and for informing the appropriate authorities of such payments. All casual and part-time employees will be included on the payroll.

The Finance Manager shall be responsible for keeping all records relating to payroll including those of a statutory nature.

All payments must be made in accordance with NMiTE's payroll procedures and comply with HM Customs & Revenue regulations.

10.4 Pension schemes

The NMiTE is responsible for undertaking the role of employer in relation to appropriate pension arrangements for employees.

The COO, supported by the Finance Director, is responsible for day-to-day pension matters, including:

- paying contributions to various authorised NMiTE pension schemes
- preparing the annual return to various NMiTE pension schemes

The HR & Remuneration Committee will maintain NMiTE Pension Policy which is approved by the Board for administering eligibility to pension arrangements and when deductions should begin or cease for staff.

10.5 Travel, subsistence and other allowances

All claims for payment of subsistence allowances, travelling and incidental expenses shall be completed on-line. The Finance Manager is responsible for instructing staff on eligibility of claims according to NMiTE's Expenses Policy. All claims are made a month in arrears and must be submitted by the seventh of the month following the period of claim.

Claims by SLT members/staff must be authorised by their budget holder/senior manager. The certification by the budget holder shall be taken to mean that:

- the journeys were authorised

- the expenses were properly and necessarily incurred
- the allowances are properly payable by NMiTE
- consideration has been given to value for money in choosing the mode of transport or choice of supplier.

10.6 Overseas travel

All arrangements for overseas travel must be approved by the Board in advance of committing NMiTE to those arrangements or confirmation of any travel bookings. Arrangements for overseas travel by Directors of the Board shall be approved by the Chair of the Board. Arrangements for travel by the Chair shall be approved by the Board.

Where spouses, partners or other persons unconnected with NMiTE intend to participate in a trip, this must be clearly identified in the approval request. NMiTE must receive reimbursement for the expected costs it may be asked to cover for those persons in advance of confirming travel bookings.

10.7 Severance and other non-recurring payments

Severance payments shall only be made in accordance with relevant legislation and under a scheme approved by the Board. Professional advice should be obtained where necessary. No amounts shall be expended that exceed the budget allocated for the purpose. All such payments shall be authorised by the Chair of the Board and calculations checked by the Secretary to the Board.

All matters referred to an industrial tribunal shall be notified to the Board at the earliest opportunity in order that budget provision may be made as necessary. All determinations of tribunals must be similarly notified.

11 Assets

11.1 Land, buildings, fixed plant and machinery

The purchase, lease or rent of land, buildings or fixed plant can only be undertaken with authority from the Board and where relevant with reference to the funding body's requirements where public funds are involved.

11.2 Fixed asset register

The Finance Manager is responsible for maintaining NMiTE's register of land, buildings, fixed plant and machinery.

11.3 Inventories

The Finance Manager is responsible for maintaining inventories for all plant, equipment, furniture and stores with a value in excess of £50.

11.4 Stocks and stores

The Finance Manager is responsible for establishing adequate arrangements for the custody and control of equipment, stocks and stores.

The Finance Manager is responsible for ensuring that regular inspections and stock checks are carried out. Equipment, stocks and stores of a hazardous nature should be subject to appropriate security checks.

11.5 Safeguarding assets

Budget holders are responsible for the care, custody and security of the buildings, stock, stores, furniture, cash, etc. under their control. They will consult the Finance Manager in any case where security is thought to be defective or where it is considered that special security arrangements may be needed.

Assets owned by NMiTE shall, so far as is practical, be effectively marked to identify them as NMiTE property.

11.6 Personal use

Assets owned or leased by NMiTE shall not be subject to personal use without proper authorisation.

11.7 Asset disposal

Disposal of equipment and furniture must be in accordance with procedures agreed by the Board.

Disposal of land and buildings must only take place with the authorisation of the Board. Funding body consent may also be required if exchequer funds were involved in the acquisition of the asset.

11.8 All other assets

Budget holders are responsible for establishing adequate arrangements for the custody and control of all other assets owned by the NMiTE, whether tangible (such as stock – see above) or intangible (such as intellectual property), including electronic data.

12 Funds Held on Trust

12.1 Gifts, benefactions and donations

The Chief Fundraising Officer is responsible for maintaining financial records in respect of gifts, benefactions and donations made to the NMiTE and initiating claims for recovery of tax where appropriate.

12.2 NMiTE funds/Earmarked Donations

The Chief Fundraising Officer is responsible for maintaining a record of the requirements for each NMiTE fund/earmarked donation and for advising the Board on the control and investment of fund balances.

The Board is responsible for ensuring that all NMiTE's funds are operated within any relevant legislation and the specific requirements for each NMiTE. They will also be responsible for investment of fund balances.

13 Other

13.1 Insurance

The COO is responsible for NMiTE's insurance arrangements, including the provision of advice on the types of cover available. As part of the overall risk management strategy, all risks will have been considered and those most effectively dealt with by insurance cover will have been identified. This is likely to include important potential liabilities and provide sufficient cover to meet any potential risk to all assets. This portfolio of insurances will be considered and approved by the Board on an annual basis.

The COO is responsible for effecting insurance cover as determined by the Board. He or she is therefore responsible for obtaining quotes, negotiating claims and maintaining the necessary records. The COO will keep a register of all insurances affected by NMiTE and the property and risks covered. He or she will also deal with NMiTE's insurers and advisers about specific insurance problems.

Budget holders must ensure that any agreements negotiated with external bodies cover any legal liabilities to which NMiTE may be exposed. The COO's advice should be sought to ensure that this is the case. Budget holders must give prompt notification to the COO of any potential new risks and additional property and equipment that may require insurance and of any alterations affecting existing risks. Budget holders must advise the COO immediately of any event that may give rise to an insurance claim. The COO will notify NMiTE's insurers and, if appropriate, prepare a claim in conjunction with the budget holder for transmission to the insurers.

All SLT members/staff using their own vehicles on behalf of NMiTE shall maintain appropriate insurance cover for business use.

17.2 Security

Keys to safes or other similar containers are to be carried on the person of those responsible at all times. The loss of such keys must be reported to the COO immediately.

The COO shall be responsible for maintaining proper security and privacy of information held on NMiTE's computer network. Appropriate levels of security will be provided, such as passwords for networked PCs together with restricted physical access for network servers. Information relating to individuals held on computer will be subject to the provisions of the Data Protection Act 1998. A data protection officer, the COO, shall ensure compliance with the Act and the safety of documents.

The COO is responsible for the safekeeping of official and legal documents relating to NMiTE (e.g. signed copies of deeds, leases, agreements and contracts etc.). All such documents shall be held in an appropriately secure, fireproof location and copies held at a separate location.

17.3 Provision of indemnities

Any SLT member/staff asked to give an indemnity, for whatever purpose, should consult the COO before any such indemnity is given.

Part 5 - Procurement Regulations

1 Introduction

- 1.1 The primary objective of the NMiTE's Procurement Regulations is to ensure that all contracts for works, goods and services are entered in a manner that secures value for money and is demonstrably free from impropriety.
- 1.2 NMiTE's Procurement Regulations also ensure that:
- a contract selection and award procedures are conducted transparently and proportionately, in a non-discriminatory and properly regularised manner and in accordance with relevant legal requirements
 - b strategic service delivery and supply partners are used wherever possible to ensure value for money is obtained and the cost of procurement is minimised. To avoid lengthy and costly procurement procedures NMiTE will generally use framework agreements where these meet NMiTE's needs and offer best value)
 - c NMiTE will support supply chain diversity and local economy by (specific measures e.g. dividing contracts into smaller lots; seeking quotations from local organisations; holding tender workshops; publicising its procurement pipeline and holding supply chain events) to encourage local organisations to tender successfully for contracts.
 - d NMiTE's strategic policies are taken into account, for example in promoting the economic development of the Marches, surrounding counties, Hereford City and Herefordshire County and in relation to protecting the environment (NMiTE's Green Policy)
 - e alternative methods of procurement compatible with the objectives of the Procurement Regulations can be considered
 - f procurement procedures are kept under review to ensure continuous improvements to services and provide best value to NMiTE and its wider community of stakeholders
- 1.3 The Procurement Manager has overall responsibility for the preparation of NMiTE's Procurement Regulations. The COO has delegated responsibility for implementing NMiTE's Procurement Regulations.
- 1.4 The COO works very closely with the Procurement Manager due to the significant legal issues involved in contracting and procurement activity.
- 1.5 It should be noted that NMiTE's Procurement Regulations form part of NMiTE's Constitution and are to be read in conjunction with other sections of the Constitution:

The Functions of Committees and Delegations

The Budgetary Control Framework Rules

The Financial Regulations

- 1.6 Wherever it is mutually advantageous to do so, NMiTE should seek to conduct procurements in collaboration with partner organisations (such as University of Warwick as the Southern Universities Purchasing Consortium (SUPC) <http://www.supc.ac.uk/> and Improvement and Efficiency West Midlands (IEWM). [Improvement and Efficiency West Midlands](#)).⁴
- 1.7 It should also be noted that failure to observe NMiTE's Procurement Regulations or observe the requirements of the Bribery Act could lead to disciplinary or legal action. (See NMiTE Policy on Gifts & Bribery)
- 1.8 All contracts shall contain provisions to this effect. All financial limits outlined in this document exclude Value Added Tax (VAT).

STANDARDS OF CONDUCT

2 Declarations of Interest

- 2.1 SLT members/staff must ensure that they comply with the provisions of the relevant Code of Conduct including on the Declaration and Registration of Interests and the Disclosure of Financial Interest requirements.

3 Gifts and Hospitality

- 3.1 Any offer of gift, favour or hospitality made by any person or firm doing or seeking to do business with NMiTE must be treated with extreme caution. Please read NMiTE's *Anti-bribery and Anti-corruption Policy*.
- 3.2 Any such offers must be noted on the appropriate form and reported to the Secretary to the Board who shall maintain and make available to NMiTE's auditors a register of such matters.
- 3.3 Acceptance of gifts and hospitality must be in accordance with NMiTE's policy on such matters.

⁴ It must be noted that each partner will need to comply with their own Procurement Regulations, which may have key differences to NMiTE's Procurement Regulations – for example, the European Procurement Directive features different financial thresholds in respect to other public bodies. If contracts are to be established which are applicable to two or more partners the Procurement Regulations of each partner must be adhered to, and it is possible that separate contractual documents will have to be established for each partner as they are separate legal entities. Officers must ensure the Regulations and Governance procedures of each partner are followed throughout the procurement process. Where costs are to be shared between collaborating bodies it is advised that a formal agreement detailing such arrangements is drawn up between the partners.

4 Honesty (Codes of Conduct)

- 4.1 All SLT members must follow the appropriate policies and Financial Regulations.
- 4.2 All employees must follow the appropriate polices and Financial Regulations.
- 4.3 All SLT members must make sure that employees, consultants, volunteers involved in an in-house tender for a contract submission do not take part in the preparation of tender documentation or the decision on the award of such a contract.

OFFICER RESPONSIBILITIES

5 Chief Executive's Responsibilities

- 5.1 The Chief Executive is responsible for resolving issues concerning the operation of NMiTE's Procurement Regulations, seeking advice as necessary from the COO **and** the Procurement Manager.

6 SLT Members' Responsibilities

- 6.1 All SLT members are responsible for:
 - a. monitoring compliance with NMiTE's Procurement Regulations in relation to contracts funded by their budget
 - b. appointing their staff/advisors representatives and ensuring they support them in their role and obtain regular briefings from them
 - c. appointing a senior member of staff to the Commercial Team
 - d. bringing the provisions of NMiTE's Procurement Regulations to the attention of their staff
 - e. ensuring that the contracts within their areas of responsibility are legal, comply with Procurement Regulations and Financial Regulations and protect NMiTE's interests fully.
- 6.2 The COO has overall responsibility for the preparation and review of NMiTE's Procurement Regulations but must do so in agreement with the Procurement Manager.

7 Procurement Manager's Responsibilities

- 7.1 The Procurement Manager is responsible for:
 - a providing guidance to SLT members on the operation of NMiTE's Procurement Regulations and all contracting and procurement activity
 - b working with the COO on the preparation and review of the Procurement Regulations

- c assisting the COO with the resolution of questions regarding the interpretation of NMiTE's Procurement Regulations
- d advising on the preparation of contract documentation and maintaining a Contract Procedures Exemption Register for informing relevant officers of any information received that calls into question the suitability of a contractor, consultant, agency or any other person carrying out work for NMiTE.

8 Budget holders Responsibilities

- 8.1 The CEO shall appoint a Procurement Managers to take responsibility for contracts with an estimated total value (excluding VAT) more than £75,001. The Contract Management Representative will be responsible for maintaining and providing timely information regarding the contracts register to the Commercial Team.
- 8.2 Budget holders are responsible for liaising fully with the Commercial Team and the Procurement Manager on all matters relating to contracting and procurement.
- 8.3 Budget holders are responsible for agreeing exemptions from the formal tendering procedures with the COO and/or the Procurement Manager. All exemptions are to be approved in writing and reported in line with the requirements of section 18 of NMiTE's Procurement Regulations.
- 8.4 Budget holders are responsible for liaising with officers administering contracts regarding any reports concerning failures by contractors to comply with contractual obligations or otherwise satisfactorily complete work.
- 8.5 Budget holders are responsible for advising the COO and the Procurement Manager of any concerns they receive regarding the suitability of a supplier to carry out work for NMiTE.
- 8.6 The Procurement Manager is responsible for maintaining records of the:
 - a contracts awarded including the nature and value of contracts and the names of successful tenderers
 - b total value of contracts awarded to each successful tenderer during each financial year
 - c names of unsuccessful tenderers and reasons why their tenders were not accepted if the reason is other than price
 - d details of any failure by a tenderer to comply with instructions to tenderers
 - e details of the reasons for any tenders being withdrawn and details of failures by contractors to submit tenders after having requested and been invited to do so
 - g contractors' performance

- h reasons for opening late tenders and reasons for exceptions to tendering procedures .

8.7 The COO is responsible for deciding the retention of tender and contract documentation in accordance with NMiTE's Record Retention Schedule.

9 COO's Responsibilities⁵

9.1 Working to the COO, the Commercial Manager is responsible for providing advice on all aspects of NMiTE's Procurement Regulations save for the legal issues. The responsibility for the legal aspects of NMiTE's Procurement Regulations rests with the Company Secretary/and NMiTE external advisors.

9.2 The Commercial Manager is responsible for

- a. chairing NMiTE's Commercial Team. (Each Chief Officer shall appoint a senior officer to be a member of the Commercial Team and the membership shall include the Procurement Manager).
- b. Approval of waivers
- c. Approval of new suppliers in accordance with the approval procedure - for example when a request for a new supplier is received by finance (or when an invoice is received without an existing supplier record) procurement shall check whether the request relates to a requirement for which there is an existing contract; how the requirement has been (or is to be procured); and require the completion (by the supplier) of a simplified due diligence questionnaire to ensure their good standing.

9.3 NMiTE's Commercial Team shall be organised on a category management basis.. The Commercial Team will meet quarterly to fulfil the following responsibilities:

- a continually reviewing NMiTE's Procurement Strategy and making recommendations on appropriate enhancements to the COO to take forward in consultation with the Procurement Manager for approval in line with NMiTE's arrangements for decision making
- b developing a procurement pipeline of NMiTE's requirements over the next 3 years so that sufficient time; resources and budget can be allocated to ensure that procurements can be carried out efficiently and effectively to ensure that NMiTE's requirements are met;
- c maintaining a register of current contracts above £15,000 and publishing details of these as appropriate to ensure transparency of expenditure in accordance with ICO guidance https://ico.org.uk/media/for-organisations/documents/1245/definition_document_for_universities_and_higher_education_institutions.pdf

⁵ In time, there will be an officer responsible for commercial activities who reports to the COO. In the short term the Procurement Manager will provide the advice on all aspects of NMiTE's Procurement Regulations to the Board, SLT members and staff of NMiTE. Any legal aspects requiring expert advice will be sought from NMiTE appointed consultant advisors.

- d monitoring compliance with NMiTE's Procurement Regulations and reporting non-compliance to the COO and the Procurement Manager for appropriate action and preparing an annual report on the operation of and compliance with NMiTE's Procurement Regulations as a basis for the COO, in consultation with the Procurement Manager, to report to the Audit & Risk Committee
- e continually reviewing NMiTE's Procurement Regulations to ensure they keep pace with developing best practice and advising amendments as necessary
- f prescribing the information needed from each SLT member and maintaining a central contract register of the information provided
- g reviewing the Procurement Regulations Exemption Register and preparing an annual report on the exemptions recorded for the Procurement Manager
- h reviewing NMiTE's sustainable procurement strategy;
- i providing training and support for employees involved in procurement activities
- j organising supply chain events, promotion of opportunities (including the content of the procurement web pages) and activities to promote supply chain diversity and the economic regeneration of Herefordshire;
- k managing the content and processes within NMiTE's e-tendering system, including the management of any procurement processes and the support and training of employees utilising the system.

10 Responsibilities of all Officers

10.1 All staff are responsible for:

- a following NMiTE's Procurement Regulations and any codes of practice, guidance or instructions provided by the Commercial Team and the Procurement Manager
- b following all relevant English and European procurement legislation
- c following NMiTE's policy requirements and legislation on Equalities and Environmental concerns including the Equalities Act 2010 and the Public Sector Duty Policy and seeking advice from the Commercial Team and the Procurement Manager in the case of any uncertainty so ensuring that any departure from these Procurement Regulations is agreed with the Commercial Manager **and** the Procurement Manager
- f following NMiTE's Employee Code of Conduct and rules on confidentiality
- g following NMiTE's Financial Regulations and the systems and procedures that are in place to control budgets properly
- h declaring any interest that could influence their judgement in contracting matters to their SLT member and the Procurement Manager
- i not taking part in **any** decisions relating to the procurement of work, goods or services if they are part of a formal in-house bid for that work

- j reporting any suspected fraudulent, corrupt or other irregularity to NMiTE's Auditor
- k ensuring that value for money is evidenced through the procurement process
- l applying appropriate monitoring arrangements to all contracts to ensure the management of risk and the projected delivery of services and benefits.

[Note: Sections 11 and 12 are intentionally blank]

Formal Tendering Procedure

Introduction

- 13.1 NMiTE, will engage with external suppliers to create large-scale strategic service delivery partnerships. This form of commissioning will become more common as NMiTE seeks to secure longer term efficiency gains and it is likely that it will involve larger amounts of more complex services within each contract's scope. Officers must use NMiTE approved strategic service delivery partners if the work required is within the scope of NMiTE's service delivery contracts. Should officers be unclear of the scope of such contracts, they should seek advice from the Commercial Team prior to proceeding with any procurement exercise.
- 13.2 Wherever possible major suppliers should be encouraged to retain the services of local/regional SMEs and third sector operators within the local supply base
- 13.3 The following procedures must be followed for all types of procurement. Official orders should be raised for works, goods and services in line with NMiTE's Financial Regulations.
- a **Purchases in total valued up to £15,000 (excluding VAT)** – one formal quotation but officers must be able to demonstrate value for money has been obtained and that all other relevant aspects of NMiTE's Procurement Regulations have been followed. See NMiTE's Financial Regulations on obtaining value for money.
 - b **Purchases in total valued between £15,001 and £35,000 (inclusive)** – at least two formal quotations must be obtained (see 13.7 to 13.11)
 - c **Purchases in total valued between £35,001 and £75,000 (inclusive)** – at least three formal quotations must be obtained (see 13.7 to 13.11)
 - d **Purchases in total valued between £75,001 and up to relevant EU limit** – formal tendering arrangements must be followed (see 13.12 to 13.71)
 - e **Purchases in total valued more than the relevant EU limit (currently circa £172,514 for goods and services and £4,104,394 for works)** – The Public Contracts Regulations must be followed (see section 14).
- 13.4 As the value, size and complexity of the contract increases, the degree of risk to NMiTE will also increase. Before procuring any contract, the officer responsible shall produce a

business case in the form of an options appraisal to support the requirement for a procurement. The officer shall ensure that for all contracts valued at £75,001 (and over), the report shall contain comments obtained from the Commercial Team (including comments from legal and financial services) to ensure that the procurement has complied with standing orders. For contracts, below this level, a summary report shall be produced outlining the justification for the quotation process. The report shall be submitted to the relevant officer authorised to approve the procurement under the Scheme of Delegations. Where the value of a contract exceeds £75,000, a formal risk assessment must be undertaken and a managed risk register maintained throughout the procurement process.

- 13.5 Any variation from the Procurement Regulations should be subject to authorisation via the waiver procedure. The officer responsible shall produce a waiver report setting out the reason for the variation, containing comments obtained from the Commercial Manager, (who shall obtain comments from legal and financial services as appropriate). This report shall be submitted to the relevant officer authorised to approve the waiver under the Scheme of Delegations.

Formal Quotation Procedure

- 13.6 The requisite number of formal quotations must be obtained for all purchases (other than those within the scope of a strategic service delivery contract or where a legally compliant Framework Agreement is utilised – see section 15) where between £15,001 and £75,000 in total (see 13.3).
- 13.7 A quotation is a written offer to execute works; supply goods or provide services detailing what is to be provided and the cost for this
- 13.8 Officers must produce a description of the goods or specification of the services required before seeking quotations. This will enable a fair comparison of prices. The level of detail in the description or specification will depend on the value and type of goods or services being purchased. Advice can be obtained from the Commercial Team.
- 13.9 Formal quotations should contain as a minimum the following information and be issued to all suppliers in the same standardised format requesting:
- a date and reference number
 - b supplier company details
 - c officer/service area name
 - d item/part number
 - e description specification
 - f quantity required
 - g unit/service cost

- h total cost
- i delivery information
- j payment details
- k any special requirements
- l details of any discounts or rebates
- m conformance with specification
- n acceptance of NMiTE T&Cs
- p confirmation of no impropriety

- 13.10 Every person or firm who makes a quotation must be treated fairly and equally.
- 13.11 Any departures from the formal quotation procedures must be discussed with the Commercial Team who will agree or otherwise any exception in consultation with the Commercial Manager. A record must be kept of the reasons for, and approval given for, departing from the formal quotation procedure.
- 13.12 When Officers are engaging in procurement activity on behalf of third parties who will be the actual contracting entity, and NMiTE is therefore acting as the agent of the other party, they must adhere to the NMiTE's Procurement Regulations recognising that NMiTE may be held liable for any complaints or challenges relating to the process.⁶
- 13.13 Formal tendering procedures apply to all contracts with a total value between £50,001 and the prevailing European procurement limits for goods, services and works except for those with an NMiTE approved strategic service delivery contract. To ensure that European Procurement Rules are properly applied, including aggregation rules, Officers should liaise with the Commercial Team before commencing any procurement with an estimated value more than £75,000. Aggregation rules also apply to NMiTE formal tenders, and requirements must not be artificially split to fall below the £75,000 threshold to avoid following the correct process. (However, if appropriate procurement should be split into lots to facilitate the participation of SMEs.) Further guidance is available at 14.6 and advice should be sought from the Commercial Team if uncertain.
- 13.14 It is important to respect confidentiality during all stages of the formal tendering process. Officers must not disclose any information they have about potential suppliers to other persons/suppliers potentially competing for the same contract.

⁶ The documents sent to bidders in such cases must contain a disclaimer saying that NMiTE will not be held liable should the contracting entity not follow NMiTE's recommendation in making an award. NMiTE must provide a written recommendation to the third party regarding making the award, pointing out that if they make a different choice to that recommended it will be at their own risk. Advice on wording can be obtained from the Commercial Team.

- 13.15 Advice and guidance on how to describe the works, goods or services required for formal tendering purposes can be obtained from the Commercial Team.
- 13.16 In accordance with regulation 111 of the Public Contract Regulations 2015, officers should note that they should not issue a PQQ for any tender below the EU threshold. However, a selection questionnaire (including a proportionate version for quotations) should be used on all procurements.
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/558531/PPN_8_16_StandardSQ_Template_v3.pdf

Selecting Potential Tenderers

- 13.17 Potential suppliers must be sought by placing advertisements in the most appropriate media, in addition to NMiTE's e-tendering portal⁷, in accordance with 13.17.
- 13.18 Advertisements for potential suppliers may be placed at the officer's discretion in relevant trade or professional journals, local and national newspapers or national websites administered by responsible bodies, and **must** be placed in the EU Journal (OJEU) if the contract is likely to exceed the relevant EU threshold. All contracts with a potential value exceeding £15,000 must be advertised on NMiTE's e-tendering portal ("the Portal"), in addition to any discretionary advertising by other means. Furthermore, details of all contracts with a potential value exceeding £75,000 must be published on the UK Cabinet Office's Contracts Finder portal and the information provided shall include at least the following:
- (a) the internet address at which the procurement documents may be obtained;
 - (b) the time by which a prospective tenderer must respond if it wishes to be considered;
 - (c) how and to whom a prospective tenderer is to respond; and
 - (d) any other requirements for participating in the procurement

Where advertisements are published in OJEU such publication must **precede** their appearance on the Portal, or any other supplementary means of advertising, to comply with EU regulations. Note, for clarity, publication is still required on the Portal if OJEU is used, and must quote the specific OJEU Reference for the contract, which suppliers should be asked to quote in their application. As a rule, officers should leave 48 hours between the time of OJEU publication and any subsequent publication in other media.

- 13.19 The only occasions when procurements do not need to be advertised on the Portal is when the contract value will be less than £15,000, or if an existing strategic service delivery contract or Framework Agreement is to be used to source suppliers and advertising is therefore not required.

⁷ NMiTE is reviewing appropriate e-Tendering Portals.

- 13.20 For formal tenders (values more than £75,001), the minimum number of tenderers required is three. If officers find that they have less than the minimum number of applications (market failure) they must consult with the Commercial Team before they proceed further. In considering whether to proceed on the basis of fewer than 3 tenders, the Commercial Team will consider the reasons for market failure. For example, any market feedback as to the reasons for no response; whether the specification was complete, accurate, was packaged appropriately and of a size to be commercially attractive and if so, directed at capable suppliers; whether sufficient time was provided for responses (such time being proportionate to the complexity of the requirement); whether the period during which quotations were requested affected the likelihood of responses e.g. during an industry shut-down or holiday period and whether any budget set was adequate. Should the Commercial Team consider that the market failure is capable of remedy (and doing so will ensure best value), the Commercial Team may recommend withdrawal and recommencement of the process (rectifying any issues considered to have caused the market failure).
- 13.21 The procurement strategy, specification and evaluation strategy must be agreed before the commencement of the procurement.
- 13.22 The entire process of advertising, selecting suppliers to tender, through to final award, is highly prescribed under European law for all procurements over the relevant threshold. Advice needs to be sought from the Commercial Team before commencing a procurement more than the EU thresholds (including ensuring sufficient time is allowed to carry out a compliant process, which, (depending on complexity) can take between several months to years). For procurements below the European thresholds, the advice in paragraphs 13.26 to 13.71 applies.
- 13.23 Pre-procurement market consultation can be carried out to gauge market interest and specification of the requirement, commercial and legal terms etc. Sufficient time should be allowed within the procurement process for any market consultation to be carried out and this should be included within the procurement pipeline. Whilst this may include approaching suppliers directly, the opportunity to participate in the market consultation should be advertised transparently via the appropriate medium e.g. for procurement with a value above the EU threshold via a Prior Information Notice (PIN) in the OJEU. In any event, information gathering and market consultation should be carried out transparently and ensuring equal treatment, including not providing consultation participants with an advantage over non-participants. To ensure this, as a minimum all information provided to market consultation participants shall also be provided when the procurement is advertised and a summary of the results of the market consultation should be published. Further advice can be obtained from the Commercial Team.
- 13.24 A standard business questionnaire should be used to collect information from the potential suppliers. The method for selecting tenderers must:
- a be transparent
 - b treat all tenderers in the same way
 - c keep the process clear and simple and transparent

d record all the selection decisions which shall be proportionate.

13.25 On all procurements, officers must utilise the CCS Standard Questionnaire to ensure that suppliers are of good financial and professional standing. In addition, officers must also use the approach set out in the CCS Standard Questionnaire when selecting suppliers to participate in a procurement (pre-qualification i.e. shortlisting) (as set out at 13.16 above):

- a past performance on similar contracts (quality and costs)
- b technical capacity
- c specialist experience in the type of products and services being procured
- d financial situation
- e public and employer's liability insurance arrangements
- f health and safety arrangements
- g equalities policy
- h written references on the contractor's reputation
- i environmental policies.
- k The good standing of an organization - essential as there are mandatory and compulsory grounds for exclusion).

13.26 Officers may also use information from referees and from company searches to assess which persons or firms to invite to submit a tender in accordance with the CCS Standard Questionnaire as set out at 13.16 above:

Inviting tenders

13.27 In accordance with regulation 53 of the Public Contract Regulations 2015, NMiTE's e-tendering system is the default option for the publication of procurement documents. To access these documents, prospective tenderers must register on the e-tendering portal. For each tender, the following procurement documents will be published:

- A letter of invitation
- Instructions to tenderers
- Form of Tender
- Specification
- Schedule of Rates/pricing documentation
- Terms and Conditions of the Contract (see 13.27)
- Quality requirements/method statement questions

- Tender Evaluation Criteria
- Any relevant supporting information

- 13.28 A copy of NMiTE's standard contract terms shall be included so that the tenderer is aware of the terms and conditions that will form part of the final contract. When an industry standard contract is used, advice should be sought from the Commercial Manager on which of the standard clauses to incorporate.
- 13.29 Tenderers must be instructed to return their tendering documentation via the e-tendering portal, rather than by any other method. In addition, tenderers must be told that tenders which are received by other means, or received after the deadline, will not be accepted. See 13.40, 13.43 & 13.48 below.
- 13.30 Tenderers should be advised that tenders will be opened at the same time and no advantage is secured by seeking to delay submission until the last moment.
- 13.31 The invitation to tender must state that NMiTE does not bind itself to accepting the lowest or any tender.
- 13.32 The invitation to tender will set out how NMiTE deal with any mistakes it identifies in the tender documentation submitted. If the mistake is capable of correction (ensuring equal treatment of tenderers and transparency to the marketplace), NMiTE will publish a clarification informing tenderers how the mistake will be corrected. If the mistake is material (necessitating additional time for tenderers to incorporate the correction into their tenders/quotations), then the deadline for responses will be extended in accordance with 13.36 below. If the deadline for responses to the OJEU contract notice is still open and if a material correction is required to ensure transparency of opportunity to the marketplace, then NMiTE will publish a correction notice as appropriate (e.g. for procurements above the EU threshold via OJEU). If the mistake is not capable of correction (ensuring transparency and equal treatment of tenderers), then NMiTE will withdraw and/or re-advertise the opportunity as appropriate.
- 13.33 The invitation to tender must set out the criteria that will be used to select the preferred supplier. This criteria should include all weightings, sub-weightings and any guidance or marking criteria by which tenders are to be evaluated. The assessment criteria must not prevent fair competition or discriminate between tenderers in any way. They must also comply with relevant legislation.
- 13.34 The tender should be assessed according to the Most Economically Advantageous Tender (MEAT) criteria which can be the lowest price, but typically will be a price-quality assessment reflecting the qualitative, technical, sustainable and social aspects of the tender submission as well as price and such assessment criteria may include the following factors:
- a) experience and skills of staff performing the contract where staff quality can have a significant impact on contract performance
 - b) financial proposals

- c) contract management arrangements
- d) quality including technical merit and functional characteristics
- e) delivery proposals
- f) social value
- g) environmental factors
- h) innovation

13.35 During the live tender period (i.e. the period between first advertisement and the deadline for tender submission), all communications with tenderers must be recorded in the clarification log on the e-tendering Portal. The clarification log will record all enquiries which are raised during the respective period and the relevant responses. The identity of the tenderer who has raised the query **must not** be disclosed.

Receiving Tenders

13.36 The original tender return date should be fixed and unchanged except in appropriate and necessary circumstances. Any extension should not provide either advantage or disadvantage to any of the tenderers. And if an extension is necessary due to the publication of further information (including the correction of mistake), the length of such extension shall be proportionate to the length of time that will be required by tenderers to request any further information from NMiTE as a result; consider such information and make any required revisions to their tenders / quotations.

13.37 Should it be necessary to extend the time limit for the submission of tenders all potential tenderers should be informed of the new date in good time before the original submission date. Any information should be issued to tenderers no later than 6 calendar days prior to the deadline for receipt of tenders. If this is not possible, a proportionate extension will be applied (see 13.36 above)

13.38 NMiTE's e-tendering Portal will automatically record the time, date and name of the tenders as they are received.

13.39 Tenders cannot be opened until the final deadline for receiving them. All tenders will be stored in the secure e-tendering portal until the requisite deadline for opening them.

13.40 In exceptional circumstances, officers, in consultation with and the approval of the Procurement Manager, can accept a late tender (see the section "Late Tenders" below). The core principle is that tenders should not be rejected if the delay is due to the actions of NMiTE, a third party, or force majeure as 'e.g. unavailability of the etendering portal or internet connectivity. NMiTE considers the allowance of sufficient time to complete document upload (including allowing for any problems that may be encountered with upload speed etc.) as within the control of Tenderers.

Opening and Recording Tenders

13.41 All tenders relating to a contract will be opened at the same time automatically using NMiTE's preferred electronic procurement system. This system will formally record the date and time for audit purposes.

13.42 Once the tenders have been opened, they will be stored securely in the electronic portal.

Late Tenders

13.43 Any tenders received after the deadline must be rejected unless there are exceptional circumstances in accordance with paragraph 13.40.

13.44 If it is decided to accept a late tender, it must be treated in the same way as all other tenders. The full details of the decision to accept the late tender must be recorded.

13.45 If the late tender is rejected, a record should be kept on file for two years with the other documents from the tender opening. The tender should be opened, under the same conditions as the other tenders, merely to ascertain the return name and address. The tenderer should be informed in writing of the reasons for rejecting the tender, i.e. that it was received late and is therefore deemed to be non-compliant under NMiTE's Procurement Regulations.

Assessing Tenders

13.46 Before assessing the tenders, the Responsible Officer needs to check that each part of them meets the requirements of the specification. The Responsible Officer also needs to make sure that there are no mistakes and that nothing is missing.

13.47 If there are substantial omissions of data or documentation that make it impossible to assess the tender, this should be fully recorded and the tender rejected.

13.48 If the tenderer has omitted ancillary documents, made an obvious error in calculating figures, or has otherwise made an error in their tender they may be allowed, to ensure proportionality of assessment treatment, to correct any minor non-compliance or mistakes or to provide any necessary clarification. However, where a tenderer fails to allow sufficient time for the punctual submission of his tender, then the tender submission will be rejected in accordance with paragraphs 13.43 to 13.45.

13.49 A record of all mistakes must be kept and attached to the tender documents together with any corrections agreed with the tenderer.

13.50 The correct tenders can then be assessed in accordance with the assessment criteria that have previously been agreed in accordance with these formal tendering procedures.

13.51 The assessment criteria used for the tender evaluation must be the same in all respects as the criteria advised to prospective suppliers at the beginning of the process.

13.52 Assessment details are strictly confidential and must not be passed on to anyone else. During the assessment, tender documentation must be kept secure and confidentiality preserved. If, in a major tendering exercise, the documentation is going to be copied or divided to aid the assessment process, a record should be maintained to identify those to whom such documents have been issued and the date returned.

13.53 The Responsible Officer shall retain a complete set of documents in a secure place in case any parts of the documentation go missing.

13.54 Once the assessment has been completed the Responsible Officer should produce a report showing:

- a the result of the assessment of each tender
- b a comparison of assessment results
- c the recommendation on which tenderer should be offered the contract.

In addition, for procurements more than the OJEU threshold, a report should be produced in accordance with regulation 84 of the Public Contract Regulations 2015. The Responsible Officer should seek further advice from the Commercial Team regarding preparing such reports.

Accepting and Rejecting Tenders

13.55 The Procurement Officer should accept the tender that the most economically advantageous tender in accordance with paragraph 13.33. i.e.:

- a it is the lowest priced tender; or
- b it is the most cost effective tender

Where this is not the lowest tender, the Responsible Officer should explain in writing, giving objective reasons why that tender is preferred, and seek approval from the Commercial Manager to proceed to appoint. A note should be placed on file to show that the Commercial Manager has reviewed the evaluation process and agreed with the outcome.

13.56 The Responsible Officer should always consider whether their recommendation for awarding the contract should be put before a SLT member, the Finance & Infrastructure Committee (FIC) or the Board for formal approval **before** contacting the successful tenderer. The Functions Scheme sets out NMiTE's procedures for making decisions. If in doubt, seek advice and approval from the Commercial Team and the Commercial Manager. Tenderers should be told at the outset if FEC or the Board approval will be needed.

13.57 The officer should write to inform the successful tenderers of the decision as soon as possible **after all necessary approvals have been received**.

13.58 Care should be taken when issuing letters informing the tenderer that they have been successful as an unqualified acceptance of the tender may create a binding contract before the formal documentation has been completed and signed by the appropriate authorised signatories. In the case of an EU-compliant process the contract cannot be formally awarded until the losing bidders have been informed and the mandatory standstill period has elapsed without any challenges arising from the bidders.

13.59 Unsuccessful tenderers should be informed of the outcome of the tendering process at the same time that the successful tenderer is notified. All bidders should be provided with a comprehensive briefing on the results of the tender to understand the relative merits of their tender when compared to that of the successful bidder. This is particularly important as losing bidders or third parties may ask for such information under the Freedom of Information Act, it is essential that full details are recorded and can be supplied easily for all tender exercises, both above and below the EU thresholds. Debriefs should also be provided to successful tenderers

Negotiating

13.60 The Responsible Officer must comply with the following conditions when negotiating on price or material aspects of quality with tenderers:

- a guidance must be sought from the Commercial Team who will consult with the Commercial Manager as necessary before advising on the appropriate course of action
- b the Responsible Officer must be accompanied by another officer during negotiations with tenderers and a full written record of all discussions should be made and signed by both officers. The results of the negotiation process must be shared with the Commercial Team
- c all negotiations must be carried out at NMiTE's offices
- d officers must not discuss one tenderer's detailed prices, conditions or terms with another tenderer
- e officers must respect the confidentiality of information provided by tenderers
- f if negotiations lead to a material change in the description of the work, goods or services or other terms, the officer must invite everyone who has provided a tender to re-tender on the basis of the revised contract. And if a change from the description as advertised, a new tender process if the changes might attract different tenderers.

13.61 If there is an in-house tender for a contract, negotiations must not take place without permission from the Commercial Team as outlined in 13.60 a above.

Awarding a Contract

13.62 Before awarding any contract, the officer responsible shall produce a written report evaluating each tender received against the evaluation criteria. The officer shall ensure

that for all contracts valued at £75,001 (and over), the report shall contain comments obtained from the Commercial Team (including comments from legal and financial representatives) to ensure that the procurement has complied with standing orders. For contracts, below this level, a summary report shall be produced outlining the justification for the quotation process. The report shall identify the supplier who has submitted the highest score in the evaluation, and recommend the award of the contract to that supplier. This report shall be submitted to the relevant officer authorised to award the contract under the Scheme of Delegations.

- 13.63 The Commercial Team will ensure that each contract is signed by an Authorised Signatory in accordance with the following thresholds:
- a officers as authorised by the Director up to £15,000.
 - b SLT members may authorise payments up to £100,000.
 - c The CEO may authorise payments up to £250,000.
 - d The Chair of FIC must authorise all payments in excess of £250,000 (excluding VAT).
 - e All amounts exclude VAT.

If the value of the contract exceeds £250,000 then approval needs to be sought from the COO.

Contracts worth more than £250,000 must be executed under seal⁸ in accordance with paragraph 17.1.

- 13.64 Officers are responsible for seeking advice from Legal Services if they are not clear about the form of contract to be used or changes are needed to the standard form of contract used by NMiTE.
- 13.65 The Commercial Team is responsible for recording the details of all contracts over £15,000 in the Contracts Register and observing the transparency regulations – para 9.3.
- 13.66 Officers must keep a record of each contract, including all the quotes and letter they have received and notes of telephone calls and meetings about selecting suppliers. These records must be made available to internal or external audit as required by them.
- 13.67 In accordance with the Public Contract Regulations 2015 and the Late Payment of Commercial Debts Regulations 2013 and to maximise performance under the contract; NMiTE will process all undisputed invoices within 30 days of receipt. The same shall apply to contractors in respect of any subcontractor arrangements applied under the applicable contract(s). All contracts shall contain provisions to this effect.

Publication of Contract Details

⁸ This will only be necessary once the Company has become a registered Charity through the Charity Commission.

- 13.68 CEO and SLT members must ensure that all contracts comply with all NMiTE governance policies.
- 13.69 Officers must not give tenderers or suppliers any information about the bids or affairs of any other tenderer or contractor unless the law requires it. All information relating to tendering and contracting procedures is confidential.
- 13.70 The only information officers should make public is the name of the successful tenderer. However, this information must not be released until the contract has been awarded and signed.
- 13.71 New government guidance on transparency also now states that officers should “engage in early discussions with suppliers, and in advance of any contract award, the types of procurement and contracts information which can be disclosed to the public, and then to ensure publication of that information in an accessible format.” Guidance below.
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/596904/PPN0117-UpdateToTransparencyPrinciplesv1.1.pdf
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/592358/TransparencyPrinciplesFebruary2017.pdf

14 EUROPEAN PROCUREMENT RULES

- 14.1 Whilst the European Procurement Rules prevail, officers are expected to follow the principles set out in NMiTE’s Procurement Regulations.
- 14.2 The European Procurement Rules⁹ are complex with significant penalties if the legislative requirements are not strictly adhered to. All officers are therefore responsible for seeking advice and guidance at all stages of the process for the Commercial Team. EU procurement principles of equal treatment, non-discrimination and proportionality apply to all contracts, regardless of value.
- 14.3 The following table sets out the public sector thresholds for 1 January 2016 to 31 December 2017:

	Supplies	Services	Works
Public Sector Contracting Authorities	£ 172,514	£ 172,514	£ 4,104,394

For the latest information regarding the EU thresholds for procurement, please visit the EU Procurement website via the following link:
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/484497/PPN_1815_New_Thresholds_2016.pdf

⁹ Set out within the EU procurement directives and applied into English law via the Public Contract Regulations 2015).

- 14.4 The figures are revised every two years on 1 January and officers should check with the Commercial Manager for the latest values.
- 14.5 If a contract for supplying works, goods or services will be worth more than the limits set out in the table above, the contract is likely to be governed by both the EU Procurement Rules and English Law. Note that the calculation of the value of the contract is to be as detailed in paragraph 14.7.
- 14.6 To ensure that contracts are advertised in accordance with the EU Procurement Rules, requirements should be valued not merely in respect of individual contracts, but also including the value of requirements of a similar nature were it is appropriate for these contracts to be commissioned together. The procurement strategy, procurement pipeline and individual pre-procurement business case should analyse the nature of the requirements (ideally in the context of a category strategy) to establish the most appropriate route to market. This should include reference to any justification for carrying out separate procurements and or the appropriate length of contracts in order to demonstrate that procurements have not been packaged to come underneath the value at which the EU Procurement Rules apply. In addition, the suitability of requirements to be split into lots to facilitate the participation of SMEs should be considered.
- 14.7 There are specific provisions relating to the calculation of contract values, based on the contract's duration. It is important that contract values are transparently advertised not just to present an attractive opportunity to the marketplace, but also to make sure that capable suppliers are not deterred or excluded by an over or under valuation. The basic rule is that value should be calculated on the basis of the total value of the contract including any extensions or options. This particularly important when it is considered that under the EU Procurement Rules the advertised expenditure represents the maximum value that can be expended in relation to a contract, prior to a new procurement process being required.
- 14.8 Valuation and aggregation rules are complex. To ensure that the aggregation rules are properly applied Contract managing representatives should liaise with the Commercial Team for all contracts more than £75,000 and to this end it is important that all potential requirements are included within the procurement pipeline so that the appropriate route to market can be confirmed as part of the procurement strategy to ensure that all requirements can be fully, efficiently and timely met.
- 14.9 Before commencing a European procurement process, officers must discuss the next steps with the Commercial Team and the Company Secretary.

Awarding Contracts Subject to the European Procurement Rules

- 14.10 Contact the Commercial Team or your external procurement consultants for advice before issuing an award notification, or if an unsuccessful tenderer challenges the award of the contract at any time during the standstill period or at any time during the process.
- 14.11 To ensure compliance with European Procurement Rules there must be a minimum standstill period of 10 calendar days between advising all tenderers of the award decision and the actual award of the contract (to end on midnight of the 10th after the date the notification was sent).
- 14.12 The purpose of the standstill period is to allow any unsuccessful tenderers the opportunity to challenge any award decision. Where a legal challenge is made within the 10 day standstill period, the contract cannot be awarded until the outcome of the application to the court is known. It is imperative that no correspondence amounting to an acceptance letter is issued during this period.
- 14.13 The written notification to the unsuccessful tenderers which triggers the standstill period must contain:
- The award criteria
 - The tenderer's score (where appropriate)
 - The winning tenderer's score (where appropriate)
 - The reasons for the decision, including a comparative summary of the characteristics and relative advantages of their bid and the winning bid.
- 14.14 The European Procurement Rules require tender results to be published in the Official Journal within 30 days of the date a contract is awarded. This must be done in consultation with the Commercial Manager.
- 14.15 The Commercial Team and the Procurement Manager must be consulted on all EU procurements to ensure that the correct procedure is followed.

15 FRAMEWORK CONTRACTING

- 15.1 Framework contracting involves selecting a contractor from a list of contractors on an approved "Framework" for given works, goods or services. The contractors are included on the Framework following a tendering exercise to establish capability, quality and value. The tendering procedures will have had to comply with the EU Procurement Rules.
- 15.2 Purchasers can enter into subsequent 'call-off' contracts from a Framework. Framework contracting is becoming increasingly prevalent to avoid duplication of effort and achieve best values via economies of scale.
- 15.3 Frameworks can be externally formed (for example. by Government) or internally formed (for example. by NMiTE). The number of approved contractors on a Framework can vary but the minimum number should be three.

- 15.4 When an external Framework is formed general terms and conditions are agreed between the Framework contractors and the Framework organiser. These pre-agreed terms and conditions will form a major part of any purchaser's 'call-off' contract and contractors are not obliged to agree to any amendments to them.
- 15.5 Framework Agreements can be established for a maximum of 4 years (unless special justification can be made for a longer period). Any subsequent call-offs under the framework may be for a duration longer than four years provided this is justified by the nature of the call off contract e.g. such factors as the time needed for contract performance, where maintenance of equipment with an expected useful life of more than four years is necessary or where extensive training of staff to perform the contract is needed.
- 15.6 Officers must take the following steps to ensure compliance with the EU Procurement Rules when using a Framework contract;
- a all the contractors on a Framework that are capable of meeting the purchaser's specification must be allowed to submit a bid against that specification.
 - b the reasons for selecting a smaller number of contractors on a Framework must be clearly evidenced and should indicate why the excluded contractors were not capable of meeting NMiTE's requirements.
 - c award of contract must be on the basis of the criteria for the Framework as set out in the Framework agreement itself, that is, within the original tender documentation setting up the Framework.
- 15.7 The Commercial Team and the Procurement Manager must be consulted on all Framework contract procurements and an pre-procurement options appraisal to establish that the use of a framework provides best value shall be carried out.

16 OTHER PROCUREMENT PROCEDURES

- 16.1 There are a number of other procurement procedures that may be available in particular circumstances:
- a) design contests, particularly in the fields of planning, architecture, civil engineering and information technology.
 - b) concession contracts where contractors derive income from the completed work, for example, such as a concession which will allow the provider to generate income such as the operation of leisure or catering facilities.
- 16.2 The Commercial Team and the Procurement Manager must be consulted regarding any proposals to follow any such procedures.

17 CONTRACTS UNDER SEAL¹⁰

- 17.1 All contracts over £250,000 in value shall be sent to Legal Services for execution under NMiTE's seal.

18 EXEMPTIONS FROM NMiTE'S PROCUREMENT REGULATIONS

- 18.1 Exemptions from NMiTE's Procurement Regulations are only allowed in exceptional circumstances such as there being insufficient suppliers for the goods, works or services being procured. Permission must be obtained for any exemption from the Commercial Manager **and** the Company Secretary. Major contracts may be subject to the European Procurement Rules and the Procurement Manager cannot provide an exemption from those requirements.
- 18.2 A written application for an exemption from NMiTE's Procurement Regulations must be made to the Procurement Manager setting out the reasons for the application. The Procurement Manager must respond within 21 days. If agreed by the Procurement Manager, the exemption must be approved in accordance with NMiTE's Constitution.
- 18.3 The normal procedure for the completion of Exemption Forms is for the Responsible Officer to obtain the signature of their Director on the form to demonstrate their approval of the request, and then forward the form to the senior Commercial Manager for their approval. If the Commercial Manager is satisfied they will forward to the Procurement Manager or their deputy for final approval and signature. The Company Secretary will retain a register of all approved extensions.
- 18.4 Tenders need not be invited in accordance with the provisions of NMiTE's Procurement Regulations if an urgent decision is required, for example for the protection of life or property or to maintain the functioning of a public service, however such examples normally relate to the existence of a genuine public emergency such as unsafe building or public health concern. Wherever possible though, at least two quotations must be obtained and any decision made or contract awarded shall be reported to the relevant SLT member, the Chair of FIC and the Board. Such emergency contracts should be let for as short a period as possible to allow their replacement with a contract that is fully compliant with the Procurement Regulations at the earliest practical opportunity.

¹⁰ This will only be necessary once the Company has become a registered Charity through the Charity Commission.

Glossary of Terms

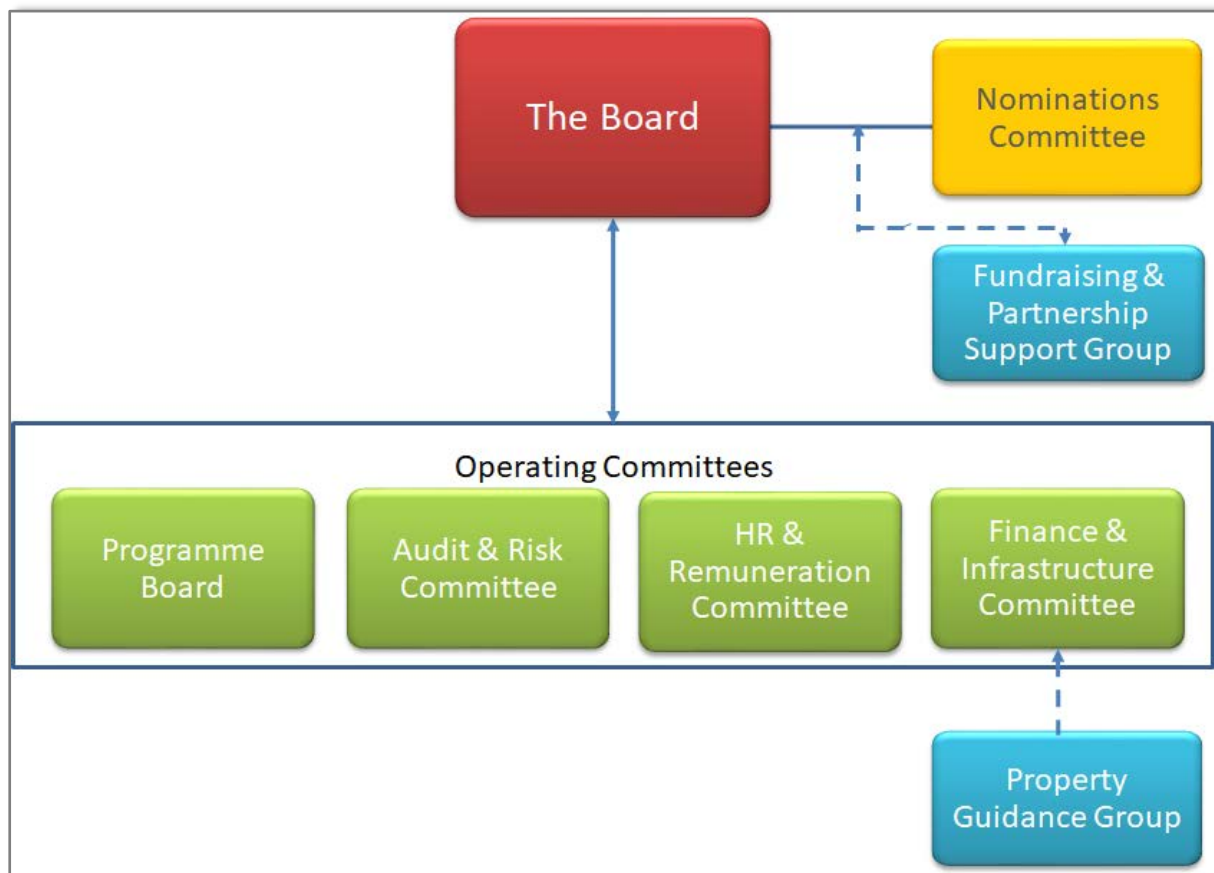
Authorised Signatory	This would usually be the budget holder for any given activity.
Commercial Team	NMiTE's team which specialises in dealing with the tendering process.
Procurement Manager	Responsible for officially recording and overseeing approvals and seeking professional legal advice where necessary.
Commercial Manager (appointed consultant in the short term)	The head of the Commercial Team.
SLT Member	The person who is responsible for looking after contracts in a given service area.
MEAT Criteria	The principles by which tenders are judged by; namely, the Most Economically Advantageous Tender.
Responsible Officer	The person who is responsible for a particular procurement.

Appendices

Appendix A	Committee Structure
Appendix B	Main Committees' Terms of Reference
Appendix C	Key Contacts in the Finance
Appendix D	Main Features of the Public Interest Disclosure Act 1998
Appendix E	The Seven Principles of Public Life from the Report of the Committee for Standards in Public Life (The Nolan Report)
Appendix F	Summary of Protocols for Proposed Capital Expenditure
Appendix G	Summary of Protocols for Proposed Major Developments
Appendix H	Fraud Response Plan
Appendix I	Conditions of Contract for the Purchase of Goods
Appendix J	Main Points Included in the NMiTE's Code of Tendering Practice

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APPENDIX A: COMMITTEE STRUCTURE



Governance

NMiTE will be an independent, not-for-profit, world-class teaching university. NMiTE is currently a company Limited by Guarantee (No: 08800142) and has applied for Registered Charity status with The Charity Commission. It will be applying to the Office for Students for the highest level of Approved Status. NMiTE will not be a private university but classified as an alternative provider. It is currently lead by an eleven strong non-executive Board of Directors, of which seven have been appointed:

Chair Dame Fiona Kendrick DBE

Deputy Chair Sir Eric Thomas

Directors Ian Falconer

Ken Temple

David Sheppard

Karen Usher

Senior Engineering Director from PLC

Senior Engineering Director from larger SME

Representative University of Warwick

Elected Chair Employee Council
Elected Chair of the Student Society
Ex Officio Prof Janusz Kozinski – Founding President & Chief Executive
Co Secretary David Nolan
Observer Stephen North; Department for Education
(See Appendix A for Biographies)

The balance of trustees will be recruited from business and in due course alumni to provide a breadth of professional experience commensurate with the needs of the institution. The Board will appoint a Stakeholder Advisory Council representing local, regional and national stakeholders.

The Board is responsible for the development of strategy, the management of risk, the selection of the Senior Leadership Team (SLT) and holding them to account. The Board will meet monthly until the SLT is established as an Executive Committee meeting monthly. Thereafter the Board will meet 4-6 times per academic year including an annual retreat. The Board is supported by a number of specialist sub committees.

Nominations

Implementation Programme Board

Audit & Risk

HR & Remuneration

Finance & Infrastructure

Guidance & Support

Property Guidance Group

Fundraising & Partnership

Committee Terms of Reference and preliminary Membership is set out in Appendix B.

It is for the Nominations Committee arrange the interview and selection of Board Members and appoint Chairs of sub-committees. Board and Committee members are appointed for a period of two years and may serve for up to three terms.

In addition, the Board has the benefit of advice from a range of advisers covering property, law, finance, university governance, curriculum, degree validation and accreditation, urban planning and architecture

APPENDIX B: MAIN COMMITTEES TERMS OF REFERENCE

OPERATING COMMITTEES

Programme Board

1. Composition & Frequency

1.2 The Board shall appoint up to five members to serve on the Programme Board. The Board may co-opt additional members who are not Directors of the Board.

1.3 The quorum for the Committee meetings shall be three.

1.4 The Chair of the Committee shall be appointed by the Board initially. Future appointments shall be appointed upon the recommendations of the Nominations Committee.

1.5 The NMiTE Company Secretary shall be an ex-officio member of the Committee.

1.6 In attendance CEO, COO, CDIO

1.7 Membership:

Chair: Janusz Kozinski Senior Responsible Owner
Chief Operating Officer Senior Stakeholder
Chief Academic Officer Senior Stakeholder
Chief Digital & Infrastructure Officer Senior Stakeholder
Chief Fundraising Officer Senior Stakeholder
Chief Marketing Officer Senior Stakeholder
Chief Partnership Officer Senior Stakeholder
Rep Finance & Infrastructure Key Adviser
Rep Academic & Quality Key Adviser
Rep H& Remuneration Key Adviser
Company Secretary Key Adviser
Anthea Parker Programme Manger

1.8 Frequency: Monthly

Purpose

The purpose of the NMiTE Implementation Board is to provide overall governance for the programme. The Board's role is to define the purpose and objectives for the programme, to set the vision, approve the changes required and to then steer the programme to implement the changes and realise the required outcomes that will achieve the end vision.

Key duties include:

- a. Setting the Programme Vision and associated measures of success;
- b. Commissioning and approving the Programme structure and timetable;
- c. Supporting the development and approval of the Programme delivery and Benefits Plans;
- d. Commissioning Projects in the Programme Portfolio;
- e. Taking on Project Executive responsibility for approved Projects;
- f. Taking collective responsibility for steering Projects through their delivery lifecycle;
- g. Agreeing significant variations to the programme plan
- h. Owning resolution of specific risks and issues within the programme
- i. Ensuring there is an effective system of cost control in place and receive regular reports on the current and planned expenditure relating to the delivery of the programme
- j. Provide leadership, advice and decision-making support to the Programme Delivery Teams
- k. Reviewing the realisation of Benefits;
- l. Communicating progress against the programme's measures of success.

The Programme Board is chaired by the Senior Responsible Officer (SRO) who is the overall sponsor of the Programme. The board member's role is to ensure that the programme maintains its business focus, has clear authority and that the context, particularly in the delivery of change and the realisation of benefits is being actively managed.

Objectives and Scope

The objectives of the NMiTE Implementation Programme Board are to ensure that programme is:

- Representing Academic, Industry and Community input and priorities;
- Focussed on delivering changes that will realise outcomes to achieve the end vision;
- Making collective decisions that ensure that the programme delivers these changes;
- Managed in accordance with the MSP methodology;
- Working to planned delivery dates and addressing any changes in scope;
- Commercially, legally and financially robust, minimising risks to the University;

Deliverables

The deliverables of the NMiTE Implementation Programme Board will include:

- Reviewing and approval of Programme deliverables;
- Providing commitment to actively support and to resource the programme;
- Monitoring progress vs the programme deliverables
- Agreeing and formalising any changes to programme scope
- Monitoring engagement with the programme across the organisation and externally
- Communicating key decisions and programme status
- Establishing and reporting on programme resourcing, costs and dependencies
- Establishing and reporting on outcome benefits and measures of success

These deliverables will be managed by the Programme Manager (Programme Roadmap and Programme Plan), the Programme Communications Manager (Communications Plan) and recorded by way of the Programme Board minutes.

Agenda, Timescales and Commitment

Meetings of the NMiTE Implementation Programme Board will take place on a monthly basis (aligned with organisation board meetings) and include formal reporting from the Programme Manager and Project Managers, when appropriate.

The agenda of the meetings will be as follows:

1. Minutes and actions from previous meetings;
2. Programme Deliverables for review and approval;
3. Review of Programme Dashboard/Roadmap;
4. Review and approval of any changes required to Programme scope;
5. Review of Benefits delivery and measures of success;
6. Review of Programme level resourcing, costs and dependencies;
7. Specific items for discussion;
8. Resolution of any Issues or Risk escalated from the Programme Steering Group;
9. Confirm items for communication vs. Communications Plan; and

Structure and representation

The Programme Board will be chaired by the Chief Executive and will involve a core membership that includes:

- Executive officers
- Committee members
- Subject matter experts

Audit & Risk Terms of Reference

1. Composition & Frequency

1.1 The Board shall appoint up to five members to serve on the Audit & Risk Committee. The Board may co-opt additional members who are not Directors of the Board.

1.2 The quorum for the Committee meetings shall be three.

1.3 The Chair of the Committee shall be appointed by the Board initially. Future appointments shall be appointed upon the recommendations of the Nominations Committee.

1.4 The NMiTE Company Secretary shall be an ex-officio member of the Committee.

1.5 In attendance CEO, COO, Finance Manager

1.6 Membership:

Chair: Ian Falconer

Mark Edwards

Director to be appointed

Senior local Accountancy Practitioner

1.7 Frequency: Three times per year

2. Effectiveness

a. To advise the Board of Directors on the effectiveness of the institution's internal control system including control for securing economy, efficiency and effectiveness.

b. To monitor, annually or more frequently if necessary, the implementation of approved recommendations relating to both internal audit reports and external audit reports and management letters.

c. To monitor the effectiveness of the internal and external audit services.

3. Internal Audit

a. To advise the Board of Directors on the appointment of the internal audit services (and head of internal audit, if applicable).

b. To consider and advise the Board of Directors on the audit needs assessment, and strategic and short-term audit plans for the internal audit service.

c. To consider and advise the Board of Directors on internal audit reports.

4 External Audit

a. To advise the Board of Directors on the appointment and remuneration of external auditors and the scope of their work.

b. To consider and advise the Board of Directors on external audit reports and management letters.

5. Co-option

The Committee may co-opt members from time to time for a specified period and purpose.

6 Chair and Deputy Chair

The Chair of the Audit Committee will be appointed for a period of two years by the Board on recommendation of the Board. The Committee shall elect from its members at its first meeting of each year a Deputy Chair.

7. Meetings

The Committee will meet at least four times per year. For the purposes of a meeting the quorum will be 4 members.

8. Reporting

The minutes of Committee meetings will be tabled for discussion and/or action at the subsequent meeting of the Audit Committee and reported to the Board.

HR & Remuneration Terms of Reference

1. Composition & Frequency

1.1 The Board shall appoint up to five members to serve on the HR & Remuneration Committee. The Board may co-opt additional members who are not Directors of the Board.

1.2 The Board shall appoint up to five members to serve on the HR & Remuneration Committee. The Board may co-opt additional members who are not Directors of the Board.

1.3 The quorum for the Committee meetings shall be three.

1.4 The Chair of the Committee shall be appointed by the Board initially. Future appointments shall be appointed upon the recommendations of the Nominations Committee.

1.5 The NMiTE Company Secretary shall be an ex-officio member of the Committee.

1.6 In attendance CEO, COO, People & Opportunities Officer

1.7 Membership:

Chair: Ken Temple

Fiona Kendrick for CEO & SLT Review

Karen Usher

Director to be appointed

1.8 Frequency: TBD

2. The Remuneration Committee shall be responsible for preparation of a framework for pay and conditions of service of holders of senior posts for approval by the Board in accordance with the articles of Government of NMiTE. Senior postholders are:

- The Chief Executive
- Chief Operating Officer
- Chief Academic Officer
- Chief Digital & Infrastructure Officer
- Chief Marketing Officer
- Chief Partnerships Officer
- Chief Fundraising Officer
- People and Opportunities Officer

2. The Remuneration Committee shall be responsible for monitoring arrangements for the appointment grading, suspension and dismissal of holders of senior posts in accordance with the articles of Government of NMiTE and for appraisal of Senior Leadership Team and the Company Secretary.

3. The Remuneration Committee shall be responsible for preparation of a policy framework covering other employment issues affecting holders of senior posts.

4. The Remuneration Committee shall discharge any responsibility of the Board for appointment of holders of senior posts or consideration of hearings or appeals concerning holders of senior posts under disciplinary or grievance procedures.

5. The Remuneration Committee shall agree with the postholders their performance targets for the coming year, assess their performance for the previous year and apply any performance related reward as agreed at the outset of their planned targets. The Committee will also monitor performance in year.

6. Reporting

The minutes of Committee meetings will be tabled for discussion and/or action at the subsequent meeting of the Remuneration Committee and reported to the Board.

Finance and Infrastructure Committee Terms of Reference

1 Composition & Frequency

- 1.1 The Board shall appoint up to five members to serve on the Finance & Infrastructure Committee. The Board may co-opt additional members who are not Directors of the Board.
- 1.2 The quorum for the Committee meetings shall be three.
- 1.3 The Chair of the Committee shall be appointed by the Board initially. Future appointments shall be appointed upon the recommendations of the Nominations Committee.
- 1.4 The NMiTE Company Secretary shall be an ex-officio member of the Committee.
- 1.5 In attendance CEO, COO, CDIO
- 1.6 Membership:

Chair: Director to be appointed

David Sheppard

Jon Gorringer – acting chair

Mavis McDonald

Toby Kinnaird

1.7 Frequency: Monthly

2 Financial Responsibilities 2.1 To recommend financial regulations for approval by the Board.

2.2 To act on behalf of the Board in the application and supervision of financial regulations approved by the Board.

2.3 To make recommendations to the Board on:

- The annual estimates of income and expenditure;
- Salaries of staff;
- Financial statements;
- The appointment of an independent firm of accountants to complete the annual financial statements;
- Major variations of expenditure;
- Capital expenditure requirements including loans (if required);
- Submission of funding applications;
- NMiTE's accommodation strategy/property requirements (initially before responsibilities are officially transferred to the Board of NMiTE); and
- NMiTE's business plan (initially before responsibilities are officially transferred to the Board of NMiTE).

2.4 To receive regular reports on the HTET's financial position, ensure short term budgets are in line with longer term plans, and, on behalf of the Board, determine action to be taken within the overall budgets previously approved by the Board.

2.5 To keep under review the financial implications of the HTET Fundraising Strategy and NMiTE's Capital Development and Accommodation Plans (initially before responsibilities are officially transferred to the Board of NMiTE), including performance against targets, and to advise the Board accordingly.

2.6 To approve HTET's investment policies within the programme approved by the Board.

2.7 To approve fees and charges for recommendation to the Board.

2.8 To advise the Board and review arrangements for ensuring the solvency of the NMiTE and the safeguarding of assets.

2.9 To pursue value for money and the efficient and effective use of resources, and ensure that financial considerations are taken into account by Directors and HTET staff at all relevant stages in reaching decisions.

3 Estates Strategic Direction 3.1 To develop and oversee the NMiTE Estates strategy, and modify this periodically, taking account of the overall strategic direction of the University.

3.2 To monitor progress on targets and goals set out in the Estates Strategy and the implementation of capital development plans.

3.3 To assist the development and delivery of the Estates Strategy, ensuring broad compliance with NMiTE's strategic commitments and statutory duties to manage and reduce carbon emissions and broader sustainability commitments.

3.4 To consider and endorse or reject estates business plans and make recommendations of their priority.

3.5 To endorse acquisitions, disposals and leases of land and property in accordance with the levels set out in the approved Scheme of Delegations.

3.6 To endorse the award of and acquisition of all goods, services and works on approved estates-related business plans and formal acceptance of contracts in accordance with the levels set out in the approved Scheme of Delegations.

3.7 To endorse an annual capital estates programme for consideration by the Board, to monitor progress in taking forward the agreed programme, to advise on any matters of concern and recommend proposals for subsequent amendments to the programme as appropriate.

3.8 To endorse proposals from any Estates Working Groups.

3.9 To endorse estates policies.

3.10 To consider estates management implications associated with changing legislation, local government planning and governance requirements.

3.11 To consider and advise on significant matters related to the size of and deployment of Estates recurrent budget and operational matters for which the Chief Operating Officer wishes advice or support.

4 Health and Safety 4.1 To act on behalf of the Board in Health and Safety matters, including consideration of the Health and Safety Annual Report on behalf of the Board, ensuring that any concerns identified by the Committee are reported to the Board.

5 Risk and Performance

5.1 The Committee shall review the risks and mitigation plans related to the scope of its responsibilities and report to the Board as appropriate.

6 General Responsibilities of the Finance & Infrastructure Committee

6.1 To consider and advise on such matters as the Board may refer to the Committee from time to time.

6.2 To review on an annual basis the extent to which the Committee meets its terms of reference.

6.3 To report its proceedings to the Board.

7 Attendance at Meetings

7.1 The Committee may at any time request attendance by Directors, Directors with Portfolio, staff, co-opted members, contracted professionals, and volunteers of the NMiTE.

8 Frequency of Meetings

8.1 The Committee shall meet monthly by telephone or face-to-face such that the associated reports and recommendations can be fed into the main Board meetings for review and approval as required.

NOMINATIONS COMMITTEE

Nominations Terms of Reference

1. Composition & Frequency

- 1.1. The Board shall appoint up to three members to serve on the Nominations Committee. The Board may co-opt additional members who are not Directors of the Board.
- 1.2. The quorum for the Committee meetings shall be three.
- 1.3. The Chair of the Committee shall be appointed by the Board initially. Future appointments shall be appointed upon the recommendations of the Nominations Committee.
- 1.4. The NMITE Company Secretary shall be an ex-officio member of the Committee.
- 1.5. In attendance CEO, COO, CDIO
- 1.6. Membership:

Chair: Fiona Kendrick

Ken Temple

David Sheppard

Company Secretary

- 1.7. Frequency: Twice yearly and when needed

2. The Nominations Committee shall be responsible for keeping under review requirements for appointment or reappointment of Company Directors, including changes in the number, composition or balance of interest represented on the Board, and making recommendations to the Board.

3. The Nominations Committee shall be responsible for the oversight of arrangements made to recruit, inform and interview potential Directors, and to make recommendations to the Board for appointment.

4. The Nominations Committee shall be responsible for the oversight of arrangements made for Director development and training.

5. The Nominations Committee shall be responsible for keeping under review the general governance procedures of the Board.

6. Reporting

The minutes of Committee meetings will be tabled for discussion and/or action at the subsequent meeting of the Nominations Committee and reported to the Board.

SUPPORT COMMITTEES

Fundraising & Partnership Support Group

Chair: Edward Harley

Janusz Kozinski

Karen Usher

Others TBA

TEXT TO BE COMPLETED

Property Guidance Group

Chair: Mavis McDonald

Ian Falconer

Jon Gorringe

Noel Manns

David Nolan

Jonathan Nicholls

Jonathan Preece

David Sheppard

In attendance CEO, COO, CDIO

Frequency: monthly

Purpose of Group

1. To provide guidance to the Trustee/Directors and senior executives of NMiTE on all property and infrastructure matters
2. To assist in the development of a campus masterplan and contribute to the selection of professional advisers
3. To contribute to the development of the project's property strategy - in particular the understanding of risk - and to offer guidance in its production on behalf of both boards
4. To support the Campus Development Director in the long-term assembly of campus locations
5. To review and offer guidance on the terms and conditions of the acquisition of all sites;
6. To support and offer guidance on the selection and retention of: development partners, joint venture partners
7. To support and offer guidance on negotiations with funders
8. To support NMiTE's Chief Digital & Infrastructure Officer in the construction and delivery of the campus in particular in the assessment of major tenders
9. To provide guidance to the specification and selection of all professional advisers
10. To actively support the planned community engagement programme - *Your City in Your Hands* – in particular key stakeholders (Herefordshire Council, Hereford City Council, Historic England, Marches LEP, Business Improvement District, Civic Society et al)

APPENDIX C: KEY CONTACTS IN FINANCE

INTRODUCTION

1 The NMiTE finance is located at the TBA

The finance office is normally open between 9.00 am and 5.00 pm. T: 01432 371111

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APPENDIX D: MAIN FEATURES OF THE PUBLIC INTEREST DISCLOSURE ACT 1998

SUMMARY

The Act came into force on 2 July 1999. It encourages people to blow the whistle about malpractice in the workplace and is designed to ensure that organisations respond by acting on the message rather than against the messenger. The Act applies to employees blowing the whistle about crime, civil offences (including negligence, breach of contract, etc.), miscarriage of justice, danger to health and safety or the environment and the cover-up of any of these. It applies whether or not the information is confidential and extends to malpractice occurring in the UK and any other country or territory. In addition to employees, it covers trainees, agency staff, contractors, home workers, trainees and every professional in the NHS. Employment law restrictions on minimum length of service and age do not apply. At present, the Act does not cover the genuinely self-employed, volunteers, the army, intelligence services or police officers. The Act has been described as 'the most far reaching whistleblower protection in the world'.

INTERNAL DISCLOSURES

A disclosure in good faith to a manager or the employer will be protected if the whistleblower has a reasonable suspicion that the malpractice has occurred, is occurring or is likely to occur.

REGULATORY DISCLOSURES

The Act protects disclosures made in good faith to prescribed bodies such as the Health and Safety Executive, the Financial Services Authority and the Inland Revenue, where the whistleblower has a reasonable belief that the information and their allegation(s) are substantially true.

WIDER DISCLOSURES

Wider disclosures (e.g. to the police, the media, MPs, and non-prescribed regulators) are protected if, in addition to the tests for regulatory disclosures, they are reasonable in all the circumstances and they meet one of the three preconditions. Provided they are not made for

personal gain, these preconditions are that the whistleblower:

- reasonably believed they would be victimised if they raised the matter internally or with a designated regulator
- reasonably believed a cover-up was likely and there was no regulator
- had already raised the matter internally or with a prescribed regulator.

An employee who makes a wide, public disclosure is more likely to be protected if there was no internal procedure set up.

FULL PROTECTION

Where the whistleblower is victimised in breach of the Act they can bring a claim to an employment tribunal for compensation. Awards are uncapped and based on the losses suffered. Additionally, where an employee is sacked, they may apply for an interim order to keep their job. Not all disclosures made by an employee are protected under the Act. Those that are include criminal acts, health and safety violations, breaches of legislation and miscarriages of justice. However, such acts are only protected as long as the disclosure is made in good faith to the employer, or any other person authorised under a procedure set up by the employer for this purpose. (Disclosures can also be made to appropriate regulatory bodies, such as the Health and Safety Executive.) Where an employee reasonably suspects malpractice (and this includes any crime), they will be protected from victimisation where they raise the matter in good faith with a person who is legally responsible for whistleblowing.

QUALIFYING AREAS

The qualifying areas consist of information that the employee reasonably believes tends to show one or more of the following matters is either happening now, took place in the past, or is likely to happen in the future:

- a criminal offence
- the breach of a legal obligation
- a miscarriage of justice
- a danger to the health or safety of any individual
- damage to the environment
- deliberate covering up of information tending to show any of the above five matters.

APPENDIX E: THE SEVEN PRINCIPLES OF PUBLIC LIFE FROM
THE REPORT OF THE COMMITTEE FOR
STANDARDS IN PUBLIC LIFE
(THE NOLAN REPORT)

SELFLESSNESS

Holders of public office should take decisions solely in terms of the public interest. They should not do so in order to gain financial or other material benefits for themselves, their families or their friends.

INTEGRITY

Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that may influence them in the performance of their official duties.

OBJECTIVITY

In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.

ACCOUNTABILITY

Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.

OPENNESS

Holders of public office should be as open as possible about all their decisions and the actions that they take. They should give reasons for their decisions and restrict information only

when the wider public interest clearly demands.

HONESTY

Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.

LEADERSHIP

Holders of public office should promote and support these principles by leadership and example.

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APPENDIX F: SUMMARY OF PROTOCOLS FOR PROPOSED CAPITAL EXPENDITURE

Proposed capital projects should be supported by:

- A statement that demonstrates the project's consistency with the strategic plans and estates strategy approved by the Board.
- An initial budget for the project for submission to the Board. The budget should include a breakdown of costs including professional fees, VAT and funding sources.
- A financial evaluation of the plans together with their impact on revenue plus advice on the impact of alternative plans.
- An investment appraisal in an approved format which complies with HM Treasury's 5 Case Model guidance on option and investment appraisal.
- A demonstration of compliance with normal tendering procedures and the NMiTE's financial regulations. This will require careful consideration where partnership arrangements are in place.
- A cash flow forecast.

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APPENDIX G: SUMMARY OF PROTOCOLS FOR PROPOSED MAJOR DEVELOPMENTS

The proposal should be supported by a business plan for three years which sets out:

- a demonstration of the proposal's consistency with the strategic plans approved by the Board and with the NMiTE's powers under current legislation
- details of the market need and the assumptions (based on reference data) of the level of business available
- details of the business and what product or service will be delivered
- an outline plan for promoting the business to the identified market and achieving planned levels of business
- details of the staff required to deliver, promote and manage the business, together with any re-skilling or recruitment issues
- details of any premises and other resources required
- a financial evaluation of the proposal together with its impact on revenue and surplus, plus advice on the impact of possible alternative plans and sensitivity analyses in respect of key assumptions
- contingency plans for managing adverse sensitivities
- consideration of taxation and other legislative or regulatory issues
- a three-year financial forecast for the proposal including a monthly cash flow forecast and details of the impact on the NMiTE's cash flow forecast for the financial years in question.

APPENDIX H: FRAUD RESPONSE PLAN

PURPOSE

- 1 The purpose of this plan is to define authority levels, responsibilities for action and reporting lines in the event of a suspected fraud or irregularity. The use of the plan should enable the NMiTE to:
 - prevent further loss
 - establish and secure evidence necessary for criminal and disciplinary action
 - notify the appropriate body(ies), if the circumstances require in a timely fashion and without contamination of any evidence
 - recover losses
 - punish the culprits
 - deal with requests for references for employees disciplined or prosecuted for fraud
 - review the reasons for the incident, the measures taken to prevent a recurrence, and any action needed to strengthen future responses to fraud
 - keep all personnel with a need to know suitably informed about the incident and the NMiTE's response
 - inform the police
 - assign responsibility for investigating the incident
 - establish circumstances in which external specialists should be involved
 - establish lines of communication with the police.

INITIATING ACTION

- 2 All actual or suspected incidents should be reported without delay to COO or the Chair of NMiTE Board. The COO or the Chair should, within 24 hours, hold a meeting of the following group to decide on the initial response:
 - another independent Director and
 - the NMiTE Secretary.
- 3 The group will decide on the action to be taken. This will normally be an investigation, led by an independent Director.

PREVENTION OF FURTHER LOSS

- 4 Where initial investigation provides reasonable grounds for suspecting a member or members of staff of fraud, the group will decide how to prevent further loss. This may require the suspension, with or without pay, of the suspect. It may be necessary to plan the timing of suspension to prevent the suspect from destroying or removing evidence that may be needed to support disciplinary or criminal action.
- 5 In these circumstances, the suspect should be approached unannounced. They should be supervised at all times before leaving the NMiTE's premises. They should be allowed to collect personal property under supervision, but should not be able to remove any property belonging to the NMiTE. Any security passes and keys to premises, offices and furniture should be returned.
- 6 Advice should be obtained on the best means of denying access to the NMiTE while suspects remain suspended (for example, by changing locks and informing security staff not to admit the individuals to any part of the premises). Similarly, access permissions to the NMiTE's computer systems and records should be withdrawn without delay.

ESTABLISHING AND SECURING EVIDENCE

- 7 A major objective in any fraud investigation will be the punishment of the perpetrator, to act as a deterrent to other personnel. The NMiTE will follow disciplinary procedures against any member of staff who has committed fraud. The NMiTE will normally pursue the prosecution of any such individual.
- 8 The NMiTE will:
 - maintain familiarity with the NMiTE's disciplinary procedures, to ensure that evidence requirements will be met during any fraud investigation
 - establish and maintain contact with the police where appropriate
 - establish whether there is a need for Directors/staff to be trained in the evidence rules for interviews under the Police and Criminal Evidence Act
 - ensure that staff involved in fraud investigations are familiar with and follow rules on the admissibility of documentary and other evidence in criminal proceedings.

RECOVERY OF LOSSES

- 9 Recovering losses is a major objective of any fraud investigation. The NMiTE shall ensure that in all fraud investigations, the amount of any loss will be quantified. Repayment of losses

should be sought in all cases.

- 10 Where the loss is substantial, legal advice should be obtained without delay about the need to freeze the suspect's assets through the court, pending conclusion of the investigation. Legal advice should also be obtained about prospects for recovering losses through the civil court, where the perpetrator refuses repayment. The NMiTE would normally expect to recover costs in addition to losses.

REFERENCES FOR EMPLOYEES DISCIPLINED OR PROSECUTED FOR FRAUD

- 11 The Chair of the Board shall prepare any answer to a request for a reference having regard to employment law.

REPORTING TO DIRECTORS

- 12 Any incident shall be reported without delay by the COO to the chairs of both the NMiTE and the Audit Committee.
- 13 Any variation from the approved fraud response plan, together with reasons for the variation, shall be reported promptly to the chairs of both the Board and the Audit Committee.
- 14 On completion of a special investigation, a written report shall be submitted to the Audit Committee containing:
- a description of the incident, including the value of any loss, the pEPple involved, and the means of perpetrating the fraud
 - the measures taken to prevent a recurrence
 - any action needed to strengthen future responses to fraud, with a follow-up report on whether or not the actions have been taken.

REPORTING LINES

- 15 The group shall provide a confidential report to the Chair of the Board, and the Chair of the Audit Committee, at least monthly, unless the report recipients request a lesser frequency. The scope of the report shall include:
- quantification of losses
 - progress with recovery action
 - progress with disciplinary action

- progress with criminal action
- estimate of resources required to conclude the investigation
- actions taken to prevent and detect similar incidents.

RESPONSIBILITY FOR INVESTIGATION

- 16 Special investigations shall not be undertaken by management.
- 17 Some special investigations may require the use of technical expertise. In these circumstances, the group may approve the appointment of external specialists to lead or contribute to the special investigation.

REVIEW OF FRAUD RESPONSE PLAN

- 18 This plan will be reviewed for fitness of purpose at least annually or after each use. Any need for change will be reported to the Audit Committee for approval.

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APPENDIX I: CONDITIONS OF CONTRACT FOR THE PURCHASE OF GOODS

LIST OF HEADINGS

- interpretation
- variation of conditions
- specification
- identification of goods
- packaging
- containers and pallets
- forms
- delivery
- property and risk
- rejection of goods
- default by contractor
- force majeure
- price and payment
- indemnity
- insurance
- transfer and sub-contracting
- patents, etc.
- confidentiality
- inducements to purchase
- insolvency
- publicity
- law

APPENDIX J: MAIN POINTS OF THE NMiTE'S CODE OF TENDERING PRACTICE

- Duty to comply by the NMiTE's staff.
- EU Procurement Rules to be complied with.
- Competitive tendering procedure, which will:
 - ensure fairness of competition
 - ensure that companies invited to tender are financially and technically able to meet the NMiTE's requirements
 - indicate the terms of the contract
 - outline the appropriate British standards to be complied with.
- Quotation procedure, which will indicate:
 - the minimum number of firms that should be expected to provide quotations
 - lists of available firms in existence which have been approved by the NMiTE that might undertake the work specified
 - the terms by which the contractors will be paid
 - the national requirements concerning good practice that should be followed.
- Submission of tenders (e.g. time, date, etc.).
- Receipt and safe custody of tenders and records.
- Admissibility and acceptance of tenders.
- Acceptance of tenders/quotations.
- Justification of acceptance of tenders not at the lowest price.