

Cardiff University

Financial Regulations

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1 General Provisions

1.1 Background

- a. The Financial Regulations ensure the proper use of the University's Financial Resources and form part of a management framework, designed to ensure that financial resources are effectively applied and support the implementation of the University's Strategic Plan.
- b. The Financial Regulations fulfil any legal or financial obligations established by the Higher Education Funding Council for Wales (HEFCW), HMRC and other government agencies.
- c. You can access support and advice on the Financial Regulations from the University's Finance department. This includes advice on how to meet your business needs within the regulations and the policies underpinning these. The University's Finance department will also provide support in regard to potential breaches of the regulations.
- d. Detailed policies supporting the Financial Regulations can be located through the links included within the Financial Regulations, [as well as on the University's web page].

1.2 Status of Financial Regulations

- a. The Financial Regulations ("the Regulations") are approved by Finance & Resources Committee (F&RC) on behalf of Council.
- b. The Regulations are subordinate to the [University Charter, Statutes](#) and [Ordinances](#) and to any restrictions contained within the HEFCW's Terms & Conditions of Funding, the [HEFCW Financial Management Code](#) and the [CUC Higher Education Audit Committees Code of Practice](#).
- c. These Financial Regulations apply to the University and all its subsidiary undertakings. Policies are sub-ordinate to the Financial Regulations.
- d. All Officers, employees and others working with responsibility for the administration or management of funds held by the University are required to comply with these Financial Regulations. Failure to comply with the Financial Regulations may be subject to disciplinary action under the University's disciplinary procedures.
- e. Potential breaches of the Financial Regulations must be reported to the Chief Financial Officer.
- f. The Council will be notified of any significant breaches by way of reporting to Audit & Risk Committee (A&RC). HEFCW will be notified of any breaches that also constitute breaches of the Financial Management Code through the Serious Incident Reporting Framework.
- g. All Officers, employees and others working for the University under a contract for services must declare an interest that they, or members of their immediate family, may have that could give the appearance of a conflict of interest. Refer [Disclosure of Interests Policy](#).

- h. All changes to these Financial Regulations shall be subject to the approval of the F&RC on behalf of Council.

2 Corporate Governance and Ethical Principles

2.1 Responsibility for Financial Matters

a. Council

Article IX of the University's [Royal Charter](#) designates the Council 'the supreme authority' as the governing body of the institution. It confirms that Council is responsible for the management and administration of the revenue and property of Cardiff University, and that it has general control over the conduct of the affairs of the institution.

[Statute VII](#) details the specific responsibilities and associated powers of Council.

As Cardiff University is a publicly funded higher education institution, Council is responsible for ensuring that funds from HEFCW are used only in accordance with the [Higher Education \(Wales\) Act 2015](#), [HEFCW's Financial Management Code](#) and HEFCW's Terms and Condition of Funding and any subsequent requirements.

b. Committees of Council

Council may delegate powers to its committees. The Finance & Resources Committee (F&RC) has powers delegated by Council as set out in its Terms of Reference ([Ordinance 10E](#)), which includes the power to approve expenditure within specific limits. The F&RC also provides scrutiny of strategic aims, budgeting and resource prioritisation and advises Council on these areas.

The Investment & Banking Sub-Committee (IBSC) ([Ordinance 10E, Annex A](#)) oversees detailed arrangements in relation to the University's investments and banking arrangements and make recommendation to F&RC.

The Audit & Risk Committee (A&RC) has a role in advising and assisting the Council in overseeing the assurance and control environment as set out in its Terms of Reference ([Ordinance 10B](#)). This includes providing an opinion of the adequacy and effectiveness of the University's arrangements for the following: risk management, control, and governance; and economy, efficiency, and effectiveness (value for money).

c. The Vice-Chancellor

The Vice-Chancellor is the Chief Executive Officer for the University ([Article V of the Charter](#)) and has a general responsibility to the Council for the management of Cardiff University, for ensuring that its objects are fulfilled, and for maintaining and promoting its efficiency and good order ([Statute V](#)).

Council has delegated authority to the Vice-Chancellor as set out in the Scheme of Delegation including the power to approve expenditure within specific limits.

The Vice-Chancellor is also the designated Accountable Officer in relation to HEFCW. As such they are personally responsible to the governing body for providing HEFCW with clear assurances that the terms of the Financial Management Code are being met. The Accountable Officer may be required to appear before the Public Accounts and Public Administration

Committee of the Senedd Cymru alongside the Chief Executive of HEFCW on matters relating to grants to the institution.

d. The Chief Financial Officer

The Chief Financial Officer (CFO) is responsible to Council, through the Vice-Chancellor and F&RC, for the financial sustainability of the University. This includes (but is not limited to) the management of University investments and the maintenance of appropriate relationships with associated University Companies to ensure they are soundly monitored and controlled. The CFO is also responsible for the University's estate.

e. College Pro Vice-Chancellors and Chief Operating Officer

The College Pro-Vice Chancellors and the Chief Operating Officer are responsible to Council, through the Vice-Chancellor, for the financial management of their respective areas in accordance with the Financial Regulations and applying Value For Money principles.

The College Pro-Vice Chancellors and the Chief Operating Officer are the four University budget holders. It is their responsibility to agree:

- i. annual budgets in line with the University's agreed financial models;
- ii. financial forward projections as required by the CFO; and
- iii. Investment Plans (both capital and revenue);

for all academic Schools, academic Units and Professional Services Departments and to ensure that the overall College/Professional Services budgetary envelope is not exceeded.

f. Heads of School/Directors of Professional Services

Heads of School/Directors of Professional Services are responsible for ensuring that:

- i. All staff are made aware of the Financial Regulations;
- ii. An appropriate system of delegated financial authorities exists that ensures that funds received or spent are properly controlled, in line with the Delegation of Financial Authority Framework.

g. Officers, employees and others working for the University

All employees, officers of the University and others with responsibility for the administration or management of funds held by the University, must comply with these regulations and meet the financial control requirements of any financial policies and procedures underpinning these regulations.

2.2 Authorisation / Delegated Limits

- a. The Delegation of Financial Authority Framework contains details of the bodies/individuals to whom financial authority has been delegated and must be approved by Council. Any financial authorisations must be undertaken in line with the Delegation of Financial Authority Framework. Any proposed changes to delegations will require prior approval by the delegating authority with advice from the Corporate Governance.

2.3 Risk Management

- a. The University acknowledges the risks inherent in its operations and is committed to managing those risks that pose a significant threat to the achievement of its objectives and financial health. The [Risk Management Policy](#) outlines the University's underlying approach to risk.
- b. Heads of School/Directors of Professional Services are required to ensure that all risks are appropriately managed and escalated following the University's [Risk Management Framework](#).

2.4 Whistleblowing (Public Interest Disclosure)

- a. If any member of the University has a genuine concern that these Financial Regulations, or any other University Finance policy or procedure, has been breached and are unable to resolve these through less formal channels, then they should follow the University's [Whistleblowing Code of Practice](#).

2.5 Fraud, Corruption and Financial Compliance

- a. All employees and others with responsibility for the administration and management of funds received or held by the University, have a responsibility to ensure compliance with relevant financial laws and regulations and to guard against fraudulent practices affecting the University. The key University policies regarding financial compliance are:
 - i. [Counter Fraud Policy](#), including the Fraud Response Plan;
 - ii. [Anti-Bribery Policy](#), including matters relating to Gifts and Hospitality;
 - iii. Anti-Money Laundering Policy
 - iv. [Criminal Finances Act Policy](#)
 - v. [Disclosure of Interests Policy](#)
 - vi. [Modern Slavery](#)
 - vii. [Government UK Sanctions](#)
 - viii. [Academic Research Misconduct](#)

2.6 Audit

- a. The University's audit arrangements are required to accord with the [HEFCW Financial Management Code](#) and [CUC Higher Education Audit Committees Code of Practice](#). This Code of Practice confers responsibilities on the A&RC, and on the University's internal and external auditors, each of whom has an unrestricted right of access to all vouchers, documents, books of account and computer data; and to any other information which they consider relevant to their enquiries.

3 Financial Management & Control

3.1 Financial Planning and Approval

- a. The CFO is responsible for setting the Finance strategy of the University. This should align to the University's Strategy and be supported by appropriate Financial Plans which would normally cover a period of at least 5 years. The Finance strategy and Financial Plans are subject to approval by Council, on the recommendation of F&RC.
- b. The CFO is responsible for submitting to F&RC, the annual budgets and cashflow for recommendation to Council, prior to the commencement of the Financial Year to which they relate.
- c. Each budget holder must prepare forecasts of income and expenditure for each financial year at the request of the CFO.
- d. The CFO is responsible for confirming the annual budget to the budget holders in writing.
- e. The University operates a devolved budgeting system. College Pro Vice Chancellors and the Chief Operating Officer (COO) are responsible for managing resources within their area of responsibility. The CFO must be informed where it is anticipated that the budget allocated to a College or Professional Services, as well as any capital investment plan budget, may become overspent.

3.2 Financial Monitoring and Reporting

- a. The CFO is responsible for monitoring financial performance against budget and forecasts, providing budgetary monitoring reports on all aspects of the University's financial performance to the University Executive Board (UEB), F&RC and Council.
- b. The control of income and expenditure, within the agreed budget, is the responsibility of the designated budget holder, in accordance with the Delegation of Financial Authority Framework.
- c. The designated budget holder must ensure that day-to-day monitoring is undertaken effectively and is responsible for:
 - i. Ensuring the economic, effective and efficient use of resources allocated to them (the principle of Value for Money);
 - ii. Expending the funds on the purposes for which they were given; and
 - iii. Ensuring that expenditure does not lead to overspending, unless previously authorised in line with the Delegation of Financial Authority Framework.

- d. With the assistance of the relevant Head of Finance, the designated budget holder must regularly monitor the financial performance of their area(s) during the year and take the necessary action to ensure the delivery of the financial targets.
- e. The CFO is responsible for the monitoring and reporting of the University's expenditure against the agreed Investment Plan (both capital and revenue).

3.3 Accounting Arrangements

- a. The University's financial year runs from 1 August until 31 July the following year.
- b. The CFO is responsible for preparing the Annual Financial Statements and for ensuring that the audited Financial Statements are approved by Council.
- c. The Financial Statements will have previously been presented to the F&RC and the A&RC, with the latter being responsible for recommending approval to Council.
- d. The University prepares consolidated accounts, which includes the University and all subsidiary companies, in accordance with: the University's accounting policies, United Kingdom Generally Accepted Accounting Practice; The University's Charter; the Statement of Recommended Practice: Accounting for Further and Higher Education; any specific requirements of the funding body, including HEFCW's annual Accounts Direction; the provisions of the Charities Act 2011 and Regulation 14 of the Charities Regulations 2008; and any other relevant accounting standards.
- e. All accounting records and technical accounting policies of the University are subject to the approval and control of the CFO. Changes to accounting records, documents or technical accounting policies may only be made following consultation with the CFO.
- f. The CFO is responsible for keeping all financial policies and procedures under review and will implement changes to policies, procedures or systems as may be necessary for efficient and effective financial control.

3.4 Finance Systems and Accounting Transactions

- a. Any system which carries out financial or procurement transactions, stores financial or procurement data or reports on financial or procurement data in use anywhere in the University or its subsidiary companies must be approved by Finance prior to use.
- b. All financial transactions must be properly recorded in the University's approved accounting systems.
- c. All persons with access to the University's approved accounting systems must comply with the University's [Information Security Policy](#).

- d. The posting of journals in the University's accounting system must be undertaken in line with the Accounting Journals and Internal Trading Policy.
- e. A University School/Department may sell goods and/or services to another School/Department within the University. These internal trades must be undertaken in line with the Accounting Journals and Internal Trading Policy.

4 Income and Debtors

4.1 Income

- a. The University accepts income, including philanthropic funding, in line with the [Code of External Funding Practice](#).
- b. The recognition of income in the University's accounts and the collection of all income due to the University is the responsibility of the CFO. As such, the CFO is responsible for ensuring that appropriate financial policies and procedures are in place to ensure the University receives all income to which it is entitled.
- c. All University sales invoices shall be controlled and raised by Accounts Receivable.
- d. All Subsidiary Company sales invoices shall be raised in line with the respective company's agreed procedures.
- e. All University receipts shall be promptly paid into a University or subsidiary company bank account.
- f. All income received at any University location shall formally be recorded at the point of receipt.
- g. All receipts of card payments must comply with the University's Card Payment Data Security Policy & Guidance.
- h. The charging and collection of Tuition Fee income must comply with the University's [Tuition Fee Policy](#).
- i. The Income & Credit Management Policy contains all information relating to the charging and collection of all non-tuition fee income.

4.2 Refunds, Credit Notes and Write-Offs

- a. Refunds of any payment to the University must be made using the same method that the payment was made, unless an exceptional circumstance exists and agreed with the CFO. Following a payment by credit / debit card or bank transfer, refunds must only be made using the same method to the same credit / debit card or bank account. In the case of overpayment, it must be ensured that the reason for overpayment is legitimate and that there is no money laundering risk.
- b. Credit notes must only be raised to cancel an invoice, either in part or in full, which has been incorrectly raised, and shall be authorised in accordance with the Delegation of Financial Authority Framework. A credit note must not be raised to cancel an invoice due to the failure or refusal to pay an invoice that is properly due for payment.

- c. The write-off of debts must be authorised by the CFO.

4.3 Philanthropic Donations, Gifts and Associated Income

- a. The Director of Development and Alumni Relations is responsible for the acceptance and management of philanthropic donations, gifts and associated income, in line with the practices detailed in the [Code of External Funding Practice](#), and may seek advice from the Funders Advisory Panel in respect to any proposed donation, gift or associated income.
- b. The Director of Development and Alumni Relations must be notified of all donations, gifts and associated income.
- c. The Director of Development and Alumni Relations shall report any large donations from an unknown or unverifiable source to the University Secretary in line with the Serious Incident Reporting Framework.

4.4 Research Grants and Contracts

Research Proposals (Pre-Award)

- a. All proposals for research grants and research contracts are made on behalf of and in the name of the University.
- b. All proposals for research grants and contracts must be prepared in accordance with the University's procedures on [submitting a funding application](#), guidance on which can be sought from the Department of RIS.
- c. No commitments are to be entered into before the completion of these procedures.
- d. The Director of RIS is responsible for ensuring that every proposal (to include expression of interest, outlines, full applications and tenders) for external funding of a research grant or contract is reviewed in order to ensure that:
 - i. there is adequate provision of resources to meet all planned commitments;
 - ii. the Full Economic Cost of research grants and contracts is established;
 - iii. the University can meet and monitor the funder's research grant or contract agreement compliance and regulatory rules;
 - iv. the research agreement is in line with the University's [Costing and Pricing guidance](#) regarding recovery of directly incurred, directly allocated and indirect costs and other expenses and taking account of the correct pricing of research projects depending on the nature of the funding body;
 - v. the research grant or contract will have a named Principal Investigator or grant holder assigned to a specific budget holder.

- e. Research projects may require the University to provide a level of match funding. The Director of Research and Innovations Services is responsible for ensuring that the relevant Pro Vice-Chancellor and Head of School/Department have authorised the availability of sufficient eligible match funding for the project before any funding application is approved for submission.
- f. Institutional contributions to research projects, including the waiving of overheads, must be in accordance with University procedures, guidance on which can be sought from the Department of RIS.

Contracting

- a. Research grants and contracts shall be accepted on behalf of the University in line with the University's Delegation of Financial Authority Framework.
- b. Grant-awarding bodies and contracting organisations stipulate terms and conditions under which their funding is given. These include procedures to be followed, such as submission of interim or final reports and the provision of other relevant information, including information required for audit, whether during the project or following its completion. It is the responsibility of the Principal Investigator to ensure compliance with all of the funders' terms and conditions; advice can be sought from the RIS and/or Finance departments as appropriate.

Post-Award

- a. All University Financial Regulations and Procedures apply to research grants and contracts.
- b. Where there are specific research grant funder terms and conditions, these will supersede the University's Financial Regulations, unless the University receives confirmation in writing from the relevant funder that Cardiff University Financial Regulations will take precedence. Any such instances must be reported to the Director of RIS.
- c. It is the responsibility of the Principal Investigator to ensure compliance with the Financial Regulations and/or specific research grant funder terms and conditions.
- d. The Director of RIS (for European funding grants) and the Director of Financial Operations (for all other source of funds) shall ensure that:
 - i. all financial records relating to research grants and contracts are maintained in the form and for the duration (retention period) required by funding bodies;
 - ii. all claims for reimbursement from funding bodies are submitted by the due date;
 - iii. all research income and expenditure data are prepared:
 - a) as required for the University's accounts;
 - b) in accordance with the Code of Practice for Higher Education Data Collections through HESA; and
 - c) to enable compilation of returns to HEFCW which meet the requirements of the Transparent Approach to Costing (TRAC).

- e. The relevant Principal Investigator is responsible for ensuring that the Head of School/Department is kept informed of all matters pertaining to the financial administration of their research grants and contracts.

- f. Any loss to the University resulting from a failure to meet conditions of funding is the responsibility of the Head of School/Department, acting through the Principal Investigator, and will be charged to the School/Department in line with the University's contribution model.

5 Other Income Generating Activities

5.1 Summary of Other Income Generating Activities

- a. Other Income Generating activities include, but are not limited to:
- **Short Courses:** Continuing Professional Development courses; Non-Credit Bearing courses; courses funded by Welsh Government;
 - **University Services:** Consultancy; knowledge exchange and knowledge transfer agreements; Expert opinion.
 - **Other Services rendered:** laboratory testing and analysis services; use of facilities.
 - **Conferences, Events and Seminars** with funding from external organisations.
 - Other specific grants – all grants including capital, other than research or funding body grants.
 - Any other activities that are not teaching or research.

5.2 University Commercial Enterprises

- a. All proposals for a new University company or investment in a commercial enterprise based on University owned Intellectual Property Rights must be raised in the first instance with the Director of Research and Innovation Services, adhere the relevant guidelines ([Commercialise your intellectual property](#)) and follow the authorities for establishing a company or commercial enterprise as set out in the Delegation of Financial Authority Framework.
- b. Non-University commercial activities must not be carried out on University premises and University facilities must not be used for such activities, unless the CFO has approved an agreement in advance between the University and the persons concerned.
- c. Other than the use of an address in connection with an authorised outside appointment (where the use of the address does not imply any relationship between the activity and the University), departmental or University addresses (whether postal or e-mail) may not be used for non-University commercial activities.
- d. These regulations must be followed strictly even in situations where there is reason to believe that the University may approve a spin-out company based on the activity in question in accordance with 5.2.a above.

5.3 University Services and Private Outside Work

- a. University Services include any consultancy, other services rendered, knowledge exchange and knowledge transfer activity provided by a member or members of staff for organisations outside the University and where all contractual, financial and insurance arrangements are managed under the aegis of the University.

- b. Private Outside Work includes any work, including private clinical or other professional practice, undertaken by a member of staff on behalf of organisations or individuals outside the University in a private capacity.
- c. University Services are activities or discreet projects, including use of facilities, carried out by staff for an organisation or individual, for a specified price with agreed outcomes. These include training, short courses and conferences.
- d. Academics may undertake as much University Services work as their role can accommodate, subject to Head of School approval. University Services may be carried out during working hours and may use specialised University resources.
- e. The Policy and Guidelines for University Services and Private Outside Work by members of staff of Cardiff University must be applied, including:
 - i. consultancies or other paid work for external organisations, whether to be undertaken as University Services under the aegis of the University or as Private Outside Work in a personal, private capacity, must comply with the policy and may not be accepted without completion of the relevant documentation and the prior written consent of the Head of School (and in the case of a Head of School, the consent of the College Pro Vice-Chancellor);
 - ii. approval for University Services activities will be given only when full economic costing has been applied and where the anticipated price to be recovered generates a surplus (profit);
 - iii. applications for permission to undertake work as a purely private activity (Private Outside Work) must be submitted to the Head of School (or College Pro Vice-Chancellor, as appropriate), supported by the documentation and information identified in the Policy stated in e above.
- f. Further detailed advice on University Services and Private Outside Work can be obtained from the Director of RIS.

5.4 Additional Payments to Staff

- a. Any proposal that involves additional payments to members of staff should be in accordance with Policy and Guidelines for University Services and Private Outside Work and supported by a schedule of names and values and must be approved by the Head of School/Professional Services Department, and in the case of a Head of School/Professional Services Department, the College Pro Vice-Chancellor, or Chief Operating Office as relevant.
- b. Additional Payments to staff are subject to the deduction of tax and National Insurance Contributions.

5.5 Sub-contracting work

- a. Where the University sub-contracts work to external providers, the relevant Head of School/Professional Services Department must ensure that:

- vi. all University Financial Regulations and Procedures are followed, including those of the [Procurement Policy](#);
 - vii. this is on the basis of a written contract which allows access to detailed records;
 - viii. appropriate monitoring procedures are in place to ensure that the outputs are achieved and the provision is of suitable quality;
 - ix. payments are only made against detailed invoice with supporting purchase orders.
- b. Where other income generating activity involves engaging a sub-contractor, in particular an individual providing a service to the University, adherence to the University's [guidance on engaging workers and consultants](#) must be followed. The guidance ensures the University's compliance with HMRC Intermediary Regulations (IR35) concerning "contracts for services" and the employment status of individuals.

5.6 Intellectual Property Rights and Patents

- a. Certain activities undertaken within the University may give rise to ideas, designs or inventions that may be patentable. These are collectively known as 'intellectual property'.
- b. The University's F&RC is responsible for scrutinising policy related to intellectual property rights (IPR) accruing to the University from inventions and discoveries made by staff (and, where appropriate, students) in the course of their activities.
- c. The University's patent-holding company, University College Cardiff Consultants Limited, ('UC3'), is the vehicle for holding and exploiting patents and other IPR on behalf of the University.
- d. The Director of RIS manages all IPR exploitation activity of the University, including those of UC3.
- e. Where the University decides to pursue the commercialisation of inventions and other outputs of research, the matter shall be progressed in accordance with the University's [Policy for Intellectual Property Rights](#).
- f. Where a spin-out company has been set up to exploit Intellectual Property which, under the provisions of the [Policy for Intellectual Property Rights](#), and is owned (or part-owned) by the University, the following will apply:
 - i. The investment of the University is held for the short-term; and
 - ii. The intention of the University is to divest its interest in the company at an appropriate time.
- g. Members of staff holding shares in a spin-out company are responsible for taking independent advice (including investment and taxation) and for making their own insurance arrangements. Such shareholding will require the member(s) of staff to complete a Disclosure of Interest.

5.7 Related Undertakings (Subsidiaries, Associates & Joint Ventures)

- a. Related undertakings include subsidiaries, associates and joint ventures, and are consolidated in the University financial statements.
- b. The creation of or investment in a related undertaking must be approved by the F&RC.
- c. All appointments of directors and company secretaries of related undertakings, except joint ventures, will require the approval of the existing Board of Directors of the respective company. The appointment of Directors of a Joint Venture must be approved by Council on recommendation of UEB.
- d. The directors of each related undertaking shall maintain a risk register for annual submission to and for scrutiny by F&RC.
- e. The CFO is responsible for ensuring separate accounting arrangements shall be established for each subsidiary or associated company, ensuring that all transactions with the University are transparent and authorised in accordance with the Delegated Financial Authority Framework. Reporting requirements for subsidiaries and associated companies will be determined by the CFO.
- f. Funds from public sources shall not be used to subsidise the operation of Subsidiary or Associated companies.
- g. A list of all Subsidiary and Associated Companies can be found in the University's Financial Statements, or by contacting the CFO.
- h. The CFO, on behalf of the University) and a Director of the relevant Subsidiary, Associated or other Company are jointly authorised to agree any loans to the Subsidiary, Associated or other related Company. A signed agreement must be in place confirming Terms and Conditions of the loan prior to the transfer of funds.

6 Expenditure & Creditors

6.1 Procurement and Purchasing

- a. All procurement of goods and services must be in accordance with the University's [Procurement Policy](#).
- b. Authorities for procurement and purchasing are detailed in the Delegation of Financial Authority Framework.
- c. Staff shall not make use of University contracts or facilities to obtain goods and services for private purposes.

6.2 Purchasing Cards

- a. Purchasing cards (P-cards) shall be issued and operated in line with the University's Purchasing Card Policy.

6.3 Investment Plan Expenditure

- a. The CFO is responsible for ensuring that Investment Plan expenditure proposals (both capital and revenue) are evaluated by appropriate investment appraisal techniques. Successful capital proposals will be included within the University's Capital Investment Plan. Both Capital and Revenue projects must be approved in line with the Delegation of Financial Authority Framework.
- b. Procurement for Capital Investment Plan projects must be undertaken in accordance with the University's [Procurement Policy](#).
- c. Post-completion appraisals (benefits reviews) shall be provided to the University Executive Board and where appropriate onward review by the IBSC as soon as practicable after completion for all Investment Plan projects.

6.4 Expenditure - non staff (revenue expenditure)

- a. As detailed in Sections 3.1 and 3.2, University budget holders are responsible for containing expenditure, including research expenditure, within the allocated financial model (contribution model). In exercising this responsibility, they have discretion to delegate within their area of responsibility.

- b. Personnel authorising expenditure are accountable and shall only authorise transactions when they are clear that the goods/services are required, have been received, and the payment is appropriate.
- c. The Director of Estates is responsible for the management of Service Level Agreements and other similar contractual arrangements entered into by the University.

6.5 Expenditure – staff

- a. All (employees) contracts of service shall be concluded in accordance with the University's approved Human Resources practices and procedures.
- b. All University personnel will be remunerated in line with the Remuneration procedures.
- c. The Director of Human Resources is responsible for maintaining all records relating to payroll including those of a statutory nature and for all payments which must be made in accordance with the University's detailed payroll financial procedures and comply with HMRC regulations.
- d. The Director of Human Resources is responsible for:
 - i. the payment of salaries and other benefits including pensions and statutory deductions in line with HMRC guidelines;
 - ii. payments to Casual workers, in accordance with the relevant Human Resources procedures;
 - iii. payments to workers deemed 'Inside the IR35' regulations shall only be made in line with HMRC guidelines
- e. In the event an employee's salary is overpaid; the University shall seek recovery of the entire amount.
- f. Loans to employees will be made to support UKVI visa requirements and recovered in line with the University's International Staff Loan Scheme arrangements.
- g. Loans to employees will be made to support annual travel loans and recovered in line with the University Annual Travel Loan Scheme arrangements.
- h. The Director of Human Resources and CFO are responsible for approving any Severance payment arrangement agree to a value of up to 12 month's salary. Severance payments values at greater than 12 months must be signed by the VC. All severance payments to Senior staff must be reported to the Remuneration Committee.

6.6 Pensions

- a. The Council is responsible approving pension and superannuation schemes or other arrangements for employees and the conditions of membership of such schemes (Statute VII).
- b. The CFO is responsible for:

- i. Authorising payment of contributions to the University's authorised pension schemes.
- ii. Preparing the annual return to these pension schemes.
- iii. Administering the University's membership to the Universities' Superannuation Scheme (USS), Cardiff University Pension Fund (CUPF), Cardiff University Pension Scheme (CUPS), Local Government Pension Scheme (LGPS), NHS Pension Scheme, NEST and any other authorised pension funds.

6.7 Expenses and Travel

- a. All claims for expenses shall be wholly, necessarily and exclusively incurred in the performance of University duties, and must be submitted in accordance with the [Expenses and Travel Policy](#).

7 Assets

7.1 Fixed Assets - Land and Buildings

- a. The purchase of freehold or long leasehold land and buildings can only be undertaken with authority from the Council and with reference to HEFCW requirements where exchequer-funded assets or exchequer funds are involved.
- b. Arrangements under short-term leasehold property agreements, i.e. those with a lease/rental term of between 2 and 49 years (excluding portacabin rental and room/venue hire) are subject to the University's Leases and Leasing Policy.
- c. The Director of Estates & Campus Facilities and Campus Services are responsible for the management and maintenance of all land and buildings under their operational remit and for the preparation and implementation of a plan for the acquisition, refurbishment and disposal of land and buildings in the context of the Estates and Infrastructure Strategy.
- d. The Director of Estates & Campus Facilities and Campus Services are responsible for maintaining the University's complete register of land and buildings under their operational remit including all property leases and other documents of title.

7.2 Fixed Asset Register

- a. The University's Capital Expenditure and Fixed Asset Accounting Policy provides detail on the definition, recognition, measurement and recording of capital (fixed asset) expenditure recognised in the University's financial statements, together with the depreciation policy.
- b. The CFO is responsible for maintaining the University's fixed asset register, including all land and buildings and capitalised equipment.
- c. Heads of School/Professional Services Directors will provide the CFO with any information he or she may need to maintain the fixed asset register and to ensure application of the correct accounting treatment.

7.3 Inventory

- a. Heads of Schools/Professional Services Directors are responsible for maintaining a school/departmental register (inventory), in a form prescribed by the CFO, detailing all equipment, furniture and other items of value regardless of the funding source, for insurance purposes.
- b. The inventory must include items donated or held on trust.

7.4 Stocks and Stores

- a. Head of Schools/Professional Services Directors are responsible for establishing and maintaining adequate arrangements for the custody of stocks and stores within their operational remit and for ensuring stocks and stores of a hazardous nature are subject to the appropriate security checks and compliant with health and safety legislation and procedures.
- b. In line with the University's accounting policy on Stocks and Stores, where stocks require valuation for the University's Financial Statements, inspection and stock check must be carried out at the appropriate date as advised by the CFO.

7.5 Loss of University property

- a. All losses of University property must be notified immediately to:
 - i. the Head of School/ Professional Services Director, who are responsible for updating the school/department register (inventory); and
 - ii. the CFO, who is responsible for any insurance related matters.
- b. Theft or misappropriation of University property must be reported jointly to Campus Security, who will then contact the Police as appropriate.

7.6 Disposal of Assets

- a. Sales, scrapping and other disposals of any University fixed assets including land, buildings, equipment, plant and furniture shall be strictly in accordance with the Fixed Asset Disposal Policy.
- b. Land and buildings disposals must be approved in accordance with the Delegation of Financial Authority Framework. The sale of disposal land and buildings may be subject to HEFCW and/or Charity Commission regulatory obligations. Please advise and consult with Legal Services before proceeding,

7.7 Personal Use of Assets

- a. No University assets shall be subject to personal use without proper authority having been obtained from the Head of School/Professional Services Director.

7.8 Vehicles

- a. The purchase of vehicles must be approved by the Director of Estates & Campus Facilities, who will be responsible for the retention of all registration and MOT documents. The licensing of all vehicles shall be undertaken by the Director of Estates & Campus Facilities.
- b. University-owned vehicles may be used for University business purposes only. Use must be authorised in line with agreed School/Departmental procedures.

- c. The CFO must receive immediate notification of all vehicle acquisitions and disposals and hires for a period of fourteen days or more and is responsible for ensuring appropriate insurance cover is in place.

7.9 Letting and Sub-Letting University Assets

- a. The granting of the use of University property under licence i.e. the letting or sub-letting of University property, must be approved in accordance with the Delegation of Financial Authority Framework.

7.10 Leases – Equipment, Vehicles and other assets

- b. All contracts for the acquisition of goods and services otherwise than by purchase (for example, leasing arrangements for equipment, vehicles and other assets) must be approved in accordance with the Delegation of Financial Authority Framework.
- a. All contracts to lease once approved in accordance with the Delegation of Financial Authority Framework shall be signed by the CFO.

7.11 Security

- a. All items providing access to limited facilities and systems, including keys to safes, banking fobs and other similar devices, are to be carried with the person responsible. The loss of such items must be reported to the CFO immediately.

8 Banking & Treasury Management

8.1 Treasury Management & Investments

- a. The F&RC, on the recommendation of the IBSC, is responsible for approving a Treasury Management Policy statement setting out a strategy and policies for cash management, investments and borrowings. This requires compliance with any relevant HEFCW regulations, including the Financial Management Code, regarding approval for any secured or unsecured loans that go beyond the general consent levels as set out in the Financial Memorandum. The F&RC has a responsibility for the implementation, ongoing monitoring and review of such policies.
- b. All executive decisions concerning borrowing, investment or financing (within policy parameters) shall be delegated to the CFO and an appropriate reporting system set up. All borrowing shall be undertaken in the name of the University and shall conform to HEFCW requirements.
- c. The CFO will report to the F&RC, following reporting to the IBSC, on the activities of the treasury management operation and on the exercise of treasury management powers delegated to him or her.

8.2 Endowments/Funds Held on Trust

- a. The University's Endowments Policy is detailed in the [Code of External Funding Practice](#).
- b. The CFO is responsible for maintaining financial records in respect of gifts, benefactions and donations made to the University and initiating claims for recovery of tax where appropriate.
- c. The Council is the Trustee of all the University's endowments/trust funds.
- d. The F&RC is responsible for ensuring that all endowments/trust funds are operated within relevant legislation and the specific requirements for each endowment/trust.
- e. The CFO is responsible for maintaining a record of the requirements for each endowment/trust fund and for advising F&RC on the control and investment of fund balances.

8.3 Banking Arrangements

- a. Council is responsible for the appointment of the University's bankers and other professional financial advisers (such as investment managers) on the recommendation of the F&RC. The appointment shall be for a specified period after which consideration shall be given by the F&RC to competitively tendering the service.

- b. The CFO is responsible, on behalf of the F&RC, for liaising with the University's bankers in relation to the University's bank accounts.
- c. The CFO may open or close a bank account for dealing with the University's funds. All bank accounts shall be in the name of the University or one of its subsidiary companies.
- d. The CFO is responsible for ensuring that all bank accounts are subject to regular reconciliation.

9 Corporate Requirements

9.1 Taxation

- a. The CFO is responsible for ensuring the University complies fully with all relevant laws, rules, regulations, statutory reporting and disclosure requirements issued by appropriate bodies in respect of its tax affairs, including (but not limited to) those concerning VAT, PAYE, National Insurance, Corporation Tax and Stamp Duty.
- b. Accordingly, the CFO is responsible for advising Heads of School/Directors of Professional Services on all taxation issues applicable to the University, in accordance with the Taxation Policy.

9.2 Insurance

- a. The CFO is responsible for effecting insurance cover as determined by the IBSC and is therefore responsible for obtaining quotes, negotiating claims and maintaining the necessary records, in accordance with the Insurance Policy.
- b. Heads of School/Directors of Professional Services must ensure that any agreements negotiated within their departments with external bodies cover any legal liabilities to which the University may be exposed. The advice of the CFO should be sought to ensure that this is the case. Heads of School/Directors of Professional Services must give prompt notification to the CFO of any potential new risks and additional property and equipment which may require insurance and any alterations affecting existing risks.
- c. Heads of School/Directors of Professional Services must advise the Insurance team immediately of any event which may give rise to an insurance claim. The Insurance team will notify the University's insurers and, if appropriate, prepare a claim in conjunction with the Heads of School/Directors of Professional Services for transmission to the insurers.
- d. The Insurance team will keep a register of all insurances affected by the University and the property and risks covered.
- e. Heads of School/Directors of Professional Services are responsible for keeping suitable records of assets which are subject to inspection by an insurance company and for ensuring that inspection is carried out in the periods prescribed.
- f. Items of equipment will be covered for all-risks insurance if they are included within the annual return to the Insurance team. The School/Departments' equipment register must be updated regularly, to include all acquisitions and disposals. Items purchased between annual submissions to the Insurance team are covered automatically, however, the Insurance team must be notified at the time of acquisition whenever an individual item exceeds £100,000 in value.

- g. University-owned vehicles may be used for University business purposes only. Use must be authorised in writing by the Heads of School/Director of Professional Services, and a record of authorised drivers maintained. The Insurance team must receive immediate notification of all vehicle acquisitions and disposals and hires for a period of fourteen days or more.
- h. All staff using their own vehicles on behalf of the University shall maintain appropriate insurance cover for business use.

9.3 Retention of financial and associated legal documents

- a. The CFO is responsible for the retention of financial documents.
- b. The minimum period for the retention of financial records and related documents, including legal document, is specified in the [Records Management Policy](#).

9.4 Legal Advice and Proceedings

- a. Unless otherwise approved by the Vice-Chancellor, Chief Operating Operator or General Counsel and University Secretary, any instructions to external solicitors and/or Counsel must be taken jointly by the University Secretary's Office and the relevant Head of School/Professional Services Department. Where agreement cannot be reached, the General Counsel and University Secretary will decide.
- b. Before commencing any new action to any court, tribunal, arbitration, adjudication or (formal) mediation proceedings approval of the General Counsel and University Secretary must be obtained, subject to the following:
 - i. in the case of adjudication of construction disputes, by the Director of Estates and Campus Facilities.
 - ii. in the case of proceedings before Employment Tribunals, jointly by Human Resources and the University Secretary's Office.
 - iii. in all other cases, by the University Secretary's Office, in consultation with the relevant head of unit.
- c. Documents relating to or threatening such proceedings must not be answered or acknowledged but forwarded immediately on receipt to legal.services@cardiff.ac.uk.

9.5 Use of the University Seal

- a. As detailed in the University's Scheme of Delegation, authority for use of the University seal is delegated by Council to the University Secretary.
- b. The University Secretary has custody of the seal. Execution requires at least one member of Council to be present.

9.6 Students' Union

- a. The Students' Union, Cardiff Union Services Limited, is a separate legal entity from the University.
- b. Arrangements with the Students' Union are detailed in [Ordinance 13](#).

10 Glossary and Terms

Term	Definition
A&RC	Audit & Risk Committee
CFO	Chief Financial Officer
COO	Chief Operating Officer
F&RC	Finance & Resources Committee
Financial Resources	Financial Resources include cash, assets and any other resources which may impact the financial position of the University.
IBSC	Investment & Banking Sub-Committee
RIS	Research and Innovation Services
UEB	University Executive Board