

Bamford Community Society

Finance and Procurement Policy

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Approved on	13 th July 2017
Approved by	Board of Directors – see minutes
To be reviewed no later than	July 2019

1 General policy statement

The Bamford Community Society Ltd is a registered society under the Co-operatives and Community Benefit Society Act 2014 and is owned by its members, the majority of whom are residents of the village of Bamford. The Society operates from the Anglers Rest site within Bamford village, in the Derbyshire Peak District and delivers various services for the benefit of residents of Bamford, the wider Hope Valley and visitors to the area. The BCS is a socially responsible business committed to commercial success whilst upholding the highest standards with regards to business operations. This policy forms part of those standards of good practice.

The principles of our finance and procurement policy are to:

- Seek to engage the local community in determining requirements for goods and services wherever appropriate.
- Procure goods and services from the local community as far as is reasonably possible.
- Support local businesses by paying promptly.
- Seek, where practical, to source food locally, seasonally and as directly as practicable.
- Seek to provide opportunities for local people through employment and work experience opportunities. Work with local educational establishments to provide educational opportunities, including work placements.
- Work collaboratively with others to build community capacity, in particular with the local halls, including the Bamford Institute, Methodist Church, Moore Memorial Hall and Bamford Primary School to try to avoid competition.
- To follow the rules for procurement as determined by EC and UK law.
- Ensure that there is an equal opportunity for all suppliers and providers who meet the stated criteria, to participate in tendering for any BCS requirements.
- Ensure sound financial governance.

2 Procurement policy

Bamford Community Society aims to be transparent and accountable in the way that it acquires goods and services from suppliers. This policy aims to clarify this process.

2.1 Criteria

A set of objective, non-discriminatory criteria will normally¹ be used to appoint appropriate contractors and suppliers. Criteria for contractors and suppliers may include:

2.1.1.1 *Essential criteria:*

- Value for money
- Quality
- Capacity
- Appropriate insurances, depending on the nature of the contract
- Appropriate policies in place and implemented

2.1.1.2 *Desirable criteria:*

- Located within the Hope Valley (defined as having a S32 or S33 postcode) or within the Peak District National Park boundary.
- Positive co-operative, social and environmental impact
- References or client testimonials

2.2 Authorization to purchase

Financial expenditure and authorization shall only be carried out by people approved by the Board of Directors.

Those procuring on behalf of the BCS should seek to optimize supplier relationships (seeking discounts, effective management of stock, use of special offers, etc.)

The **General Manager** of the Anglers Rest has delegated authority, within the agreed budgets, over the following types of expenditure, and may further delegate authority as he/she considers appropriate.

- Flexible workforce wages, training and associated costs
- All food, drink, consumables and direct expenses
- All retail goods
- Waste, cleaning and similar expenses

The **marketing sub-group** has delegated authority, within the agreed budget, for:

- Marketing and promotion expenditure
- Entertainment and event expenditure

The **finance sub-group** has delegated authority for

- Rates and utility bills
- Accountancy and bank charges
- In conjunction with the governance and compliance sub-group insurance policies, licenses, subscriptions and all statutory expenses.
- Purchase of items or the use of professionals where the expenditure is less than £500

¹ The Directors of the BCS reserve the right to waive some or all of the criteria when appropriate. Such waivers will be approved at a meeting of the Board of Directors and recorded in the meetings of that meeting.

A capital programme will be agreed annually by the Board to include an equipment replacement schedule and any planned work on the building or site. The Board will agree delegated authority for expenditure against this programme.

Salaries for permanent staff and staff bonuses will be agreed by the Board, on advice from the HR sub-group.

For expenditure for one-off repairs and renovations or capital purchases, not on the capital programme:

1. All requests for expenditure over £500 must be ratified by the Board.
2. Work done by volunteers to be managed by the General Manager and/or a nominated Director within an agreed budget.

For all one-off expenditure up to £250, only submission of supporting receipts is necessary.

For all one-off expenditure between £250 and £9,999 two or three quotes must be sought.

All expenditure over £10,000 will be put out to tender. Tenders are to be approved by the Board.

2.3 Promotion of opportunities with Bamford Community Society

Promotion and advertising of opportunities will aim to secure the required number of quotations within deadline, and a suitable successful supplier, without incurring unnecessary work for others with little prospect of success.

Promotion methods may include:

- The Anglers Rest Facebook and twitter feed.
- Emailing traders who have registered an interest in The Anglers Rest
- Local business/enterprise channels
- Wider promotion for larger opportunities

In principle, the BCS will give the longest period possible between advertising an opportunity and the deadline to respond. However, each contract will be judged on a case by case basis.

2.4 Conflicts of interest

Contracts should not be authorised by anyone having any direct and/or personal interest in the transaction(s) covered by the documents (e.g. payment of fees, expense reports, contracts with Directors' organisations). In that case, alternative and independent authorisation will be sought and/or the manager/Director must absent themselves from any involvement with the decision.

Potential conflicts of interest will be declared by Board members at the beginning of each meeting. This will be recorded in the minutes and the member will withdraw from discussions, if appropriate. Action to address any conflicts will be at the discretion of the majority of the group, and in accordance with the authorisations required above.

3 Financial policy

All expenditure should be via BACS payment or Direct Debit/Standing Order.

There should be a separation of duties between people raising orders and authorizing payments.

In all cases people approved to carry out financial transactions will:

- Obtain sufficient supporting documentation to validate the expense (e.g. receipts or tax invoices) or shall, in lieu, provide a statutory declaration.
- Verify that that goods and services listed were received.

4 Cash handling procedures

These procedures are designed to ensure efficient & secure cash handling.

4.1 Cashing up

- Always cash tills individually, so that the amount in each till can be recorded.
- Tills should, where possible, be cashed up whilst the staff are on site so that they can answer any queries.
- Tills should be cashed up in the office and not at the bar.
- Never “z” tills until an “x” report has been performed.
- The entire drawer should always be pulled out to check that no bank notes have fallen down the back or the side.

4.2 Recording

- Sales should be recorded in Xero as Daily Takings.
- Count all notes and coins and enter them on the cash sheet.
- Record all debt & credit card sales on the cashing up sheet and check them against the printed reconciliation report form from the card-processing machine.
- Total up all amounts; deduct the float and then check the net amount against the till report.
- Record any variance as over or under.

4.3 Controlling cash

- The Anglers Rest has an insured limit for the value of cash in the safe and being transported to and from the bank.
- Balancing the safe cash should be done daily, but must be done a minimum of weekly, to ascertain how much cash is being held on the premises.
- Floats either in the till or in the safe should be recorded each day, and must be done a minimum of weekly, to ensure that sufficient cash is on the premises to meet business needs and to ensure that the insurance level is not breached.
- Do not transport more cash than the limit of the insurance – make more than one trip if necessary.

4.4 Financial Misconduct

Any breach of this policy by employed staff will be addressed under the provisions of the BCS Disciplinary Policy and Procedure.

Any breach of this policy by directors will be addressed under the provisions of the BCS Rules.

5 Roles and Responsibilities

It is the responsibility of the Finance director and General Manager to ensure that:

- staff are aware of this policy;
- any breaches of this policy coming to the attention of management and/or directors are dealt with appropriately.

It is the responsibility of the employees and volunteers to ensure that their actions conform to this policy.

Appendix A Local food and drink purchasing policy

Definition of local

Look for Local Food, was a Lottery funded programme aimed at increasing access to healthy, local, regional or organic food that has clear origins. Their definition of local was:

“Food or drink that has been grown, raised or made within 30 miles of the point of sale, or in the same County as the point of sale.”

CAMRA use the following definition for their LocAle scheme:

The Sustainable Communities Act, which CAMRA strongly supports, provides a definition of local as up to 30 miles from the point of sale.

The definition used by Bamford Community Society is:

“Food or drink that has been grown, raised or made within 30 miles of The Anglers Rest, with a preference for food and drink from the Peak District and/or High Peak.

Food procurement policy

1. Aim to use food or drink that has been grown, raised or made in the Peak Park/High Peak.

Produce that fits this category includes:

- Milk – from Middleton
 - Eggs – from Bennetts, purchased via Middleton’s
 - Black pudding – made by Bowyers
 - Bread – from Bakewell Bakery
 - Ice Cream – from Hope Valley Ice Cream
2. Aim to purchase other food from local suppliers (e.g. Paul Bowyer, The Herb Table, Holdsworths, Tomsons)
 3. Purchase elsewhere (and preferably from within 30 miles) only if:
 - We can get the same quality at a lower price or
 - A better quality at the same or a lower price or
 - For operational reasons, e.g. volume or level of preparation
 4. Where purchasing food produced overseas consider purchasing Fair Trade products (e.g. tea, coffee, chocolate).

Beer procurement policy

1. Cask Ales to be purchased within the parameters of the CAMRA LocAle scheme
2. Aim to purchase national brands through local suppliers (e.g. HB Clark)
3. Purchase elsewhere (and preferably from within 30 miles) only if:
 - We can get the same quality at a lower price or
 - A better quality at the same or a lower price or
 - For operational reasons, e.g. volume or specific requirement