Finance Policy

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> **Operated by:** Nudge Education Ltd · **Version:** Dec 2025 · **Owner:** Finance

Financial Policy December 2025 Review date: December 2026

Applies To: All staff, contractors, directors, and stakeholders involved in financial activity on behalf of Nudge Education.

1. Purpose of the Policy

Nudge Education receives income from publicly funded commissioners, including schools, local authorities, and other statutory bodies. As such, we are custodians of public money and are accountable for ensuring that all financial decisions meet the highest standards of transparency, integrity, and public value. This policy sets out the principles and controls that govern our financial management, ensuring that every pound spent is used in a way that supports improved outcomes for children and young people, rather than generating unnecessary or excessive profit.

The purpose of this policy is also to provide assurance to commissioners, auditors, regulators, families, and the wider public that Nudge Education manages public funds responsibly, ethically, and in a manner fully aligned with the best interests of the communities we serve.

2. Scope of the Policy

This policy applies to all financial activities undertaken by Nudge Education. It covers procurement, banking, expenses, payroll, customer billing, supplier management, debt recovery, and all other financial transactions. It applies to permanent and temporary employees, contractors, directors, and any individual involved in approving, handling, or influencing financial activities. It must be read alongside the Finance Procedures Manual, which details the operational steps required to implement this policy.

3. Stewardship of Public Funds

As recipients and managers of public revenue, Nudge Education understands that our financial decisions must reflect the expectations placed upon public bodies: decisions must be fair, measured, accountable, and indisputably justifiable. Public funds must be used for the delivery of high-quality educational and wellbeing outcomes and must never be diverted for personal gain, organisational extravagance, or non-essential expenditure.

We are committed to ensuring that spending is reasonable, proportionate, and directly linked to our mission of re-engaging children and young people in education. All decisions must withstand external scrutiny and demonstrate that public money has been used for public good.

4. Core Financial Principles

Nudge Education operates according to three interconnected principles:

Regularity

All financial transactions must follow the law, funding agreements, commissioning contracts, and internal governance frameworks. Decisions must be legitimate, defensible, and compliant with public sector financial expectations.

Propriety

We expect all staff and contractors to act with honesty, fairness, and integrity. Financial decisions must never benefit individuals improperly, nor create actual or perceived conflicts of interest. Conduct must meet the standards expected of publicly accountable organisations.

Value for Money

Decision-making must be based on achieving the greatest possible positive impact for students using the resources available. This includes securing competitive pricing, preventing unnecessary expenditure, and ensuring funds are used efficiently. The objective is not profit maximisation, but maximising public benefit and improving life outcomes for young people.

5. Roles and Responsibilities

The responsible management of public funds relies on shared accountability.

The Board of Directors holds ultimate responsibility for financial governance, budget approval, and oversight of financial risk. As guardians of public funds, the Board must ensure the organisation remains

financially sustainable while prioritising community benefit over organisational gain.

The Finance Director (FD) acts as Accounting Officer, personally responsible for ensuring that all financial practices meet legal standards and expectations for public value. The FD must ensure that delegated responsibilities are exercised with care, transparency, and ethical conduct.

The Director of Operations (DoO) is responsible for supporting the FD in the implementation of the financial strategies and policies.

The Finance Lead manages day-to-day financial activity, ensures internal controls are followed, monitors compliance, prepares reports, and oversees audit processes to assure the organisation’s stewardship of public funds.

Budget holders and managers must ensure that all spending decisions within their remit are necessary, cost-effective, and consistent with public expectations. They must avoid any activity that could be construed as wasteful, excessive, or self-serving.

6. Authorisation and Delegation

Nudge Education operates a strict approval hierarchy to ensure strong accountability:

- Finance Lead may authorise payments up to £2,000.
- Finance Director may authorise payments up to £10,000.
- Amounts above these limits require at least two authorised signatories.

No individual may approve a transaction from which they may benefit directly or indirectly. All financial decisions must be evidenced by appropriate documentation and stored securely for audit.

7. Procurement and Ethical Purchasing

Nudge Education aims to ensure that any use of public funds represents fair and ethical procurement. All purchasing decisions must demonstrate the following:

- The expenditure is necessary for effective service delivery.
- The price is reasonable, competitive, and offers demonstrable value.
- Procurement decisions follow transparent, auditable processes.

For purchases over £5,000, we must obtain three quotations unless working through an approved framework or where specialist provision makes this impractical. In all cases, procurement decisions must be justified in writing, with clear links to public benefit.

Nudge Education does not enter into luxury, excessive, or unnecessary purchasing arrangements. All procurement must support frontline delivery or essential operational needs.

8. Supplier Management

All suppliers must be assessed to ensure they provide high-quality, reliable, and cost-effective services. Public funds must never be used to engage suppliers who cannot demonstrate financial stability, ethical business practices, or value for money.

Supplier bank details must always be independently verified to reduce fraud risk. Payment terms should reflect fairness and public accountability, ensuring that funds flow responsibly and in alignment with service delivery timelines.

9. Income and Customer Billing

Invoices to commissioners and partners must be timely, accurate, and transparent. As stewards of public money, Nudge Education must ensure that no overcharging, double billing, or ambiguous invoicing takes place.

Credit limits and payment terms must be applied consistently, with the maximum term being 30 days unless approved by the Directors of

Operations, Partnerships or Finance. The debt recovery process, if required, must be proportionate, fair, and aligned with maintaining positive relationships with publicly funded organisations.

Any write-off of debt represents a loss of public money and thus requires senior scrutiny and formal approval by the board of directors.

10. Payroll and Staff Payments

Payroll must be processed with high accuracy and fairness, ensuring staff are paid correctly and on time. Staff costs represent a major use of public funds, and therefore all salary decisions, overtime approvals, and employment contracts must be justifiable, transparent, and aligned with organisational needs.

Bank details must be verified to prevent fraud. Salary changes, allowances, and discretionary payments must follow documented procedures and be linked to legitimate work performed.

11. Corporate Cards and Cash Handling (Expenses)

Corporate cards (virtual or physical) issued to staff are tools to support efficient service delivery and must never be used for personal or non-essential spending. All card use should reflect the principles of modesty, necessity, and public value. Receipts must be uploaded promptly, and misuse may result in removal of card privileges.

12. Asset Management

All assets purchased with public funds must be safeguarded and used for the benefit of students and service delivery. Items must be logged, audited, and secured appropriately. Disposal of assets requires approval and must be justified in terms of public value and operational need.

13. Fraud, Bribery and Financial Irregularity

Nudge Education has zero tolerance for fraud, bribery, or misuse of public funds. All staff are expected to report concerns immediately, and all allegations will be investigated thoroughly. The organisation complies fully with the Bribery Act 2010 and expects all financial decisions to reflect the highest ethical standards.

14. Data Protection and Confidentiality

Financial data, much of which relates to public bodies and publicly funded provision, must be handled in strict compliance with UK GDPR. Access is restricted to authorised personnel, and systems must be password-protected, securely backed up, and monitored. Work devices are for professional use only.

15. Policy Review and Audit

This policy is reviewed annually, or sooner if legal or regulatory changes require it. Nudge Education participates in internal and external audits to ensure compliance, transparency, and responsible management of public funds. Audit findings will inform future improvements, reflecting our commitment to continuous accountability.

15.1 Change History Record

Version Date Details of Change(s) Approved By 2.0 5/12/2025 Implementation of V2 policy Brian Mair

Document control

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