(please amend highlighted items to the schools requirements)

**ENTER SCHOOL LOGO]**

|  |
| --- |
| SCHOOL FINANCE MANUAL |

**Document prepared by:**

School Business Manager

School Name

School Address

**Date prepared:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_

October 2021

###### FINANCE MANUAL FOR: *[ENTER SCHOOL NAME]*

###### Date of Issue: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date of last revision: **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

Date of Next Review: **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

## Approved by the Governing Body on:

## **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

Signed: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Chair of the Governing Body

Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signed: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Chair of the Finance Committee

Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signed: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Headteacher

Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signed: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Bursar/ Office Manager

Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

|  |  |  |
| --- | --- | --- |
| SECTION | CONTENTS | PAGE NO. |
|  | Introduction | 4 |
| 1 | Governance | 6 |
| 2 | Financial Planning | 15 |
| 3 | Budget Monitoring | 18 |
| 4 | Local Bank Account | 21 |
| 5 | Bank Accounts – General | 24 |
| 6 | Financial Records and Data Security | 27 |
| 7 | Purchasing | 29 |
| 8 | Building Maintenance Expenditure | 32 |
| 9 | Income and Banking | 33 |
| 10 | Voluntary Funds | 36 |
| 11 | School Assets | 38 |
| 12 | Personnel | 39 |
| 13 | Insurance | 40 |
|  |  |  |
|  | Appendices |  |
|  | A – Governing Body Decision Planner | 41 |
|  | B – Committee’s Terms of Reference | 45 |
|  | C – Governing Body – Annual Financial Agenda | 46 |
|  | D – Register of Pecuniary Interest | 47 |
|  | E – Scheme of Delegation | 48 |
|  | F – Register of Hospitality  G – Fraud Policy | 49  50 |
|  | H– Petty Cash Request form | 51 |
|  | I – Purchase Card Log | 52 |
|  | J – Manual Requisition Form | 53 |
|  | K – Tendering Policy | 54 |
|  | L – Charging and Remissions Policy | 56 |
|  | M– Lettings Policy | 57 |
|  | N– Useful Documents | 59 |
|  |  |  |

Internal Audit Contacts

Kanchan Vasisht 547326 kanchan.vasisht@luton.gov.uk

Wayne McBayne 547042 [wayne.mcbayne@luton.gov.uk](mailto:wayne.mcbayne@luton.gov.uk)

Emma Begum 546591 [emma.begum@luton.gov.uk](mailto:emma.begum@luton.gov.uk)

LMS Team Contacts

Rustum Setna 546089 rustum.setna@luton.gov.uk

Kim George 548071 [kim.george@luton.gov.uk](mailto:kim.george@luton.gov.uk)

**INTRODUCTION**

1. This document complies with best practice and explains procedures, which are in place at the school.

2 The aim of this Finance Manual is:

2.1 To detail the specific roles and responsibilities of governors and staff to carry out the financial administration of the School.

2.2 To ensure that the School meets the requirements of the Authority’s financial policies, in particular:

1. Luton Borough Council Scheme for Financing of Schools.
2. Financial Regulations for Schools.
3. Contract Procurement Procedures for Schools.
4. Banking and other schemes contained within the LMS Schools Financial Handbook.

2.3 To assist the School in providing efficient and effective financial controls.

2.4 To ensure that financial control is maintained in the absence of key staff.

1. School management will ensure that all relevant members of staff receive copies of the manual.
2. School management will ensure that training needs of financial staff are periodically reviewed and addressed in conjunction with the Local Authority LMS Team/Capita/external providers as appropriate.
3. The manual will be reviewed annually by the Governing Body, (or a delegated member of staff), and any subsequent amendments will be inserted into the manual and dated.
4. The school may find themselves in dispute with a member of staff who has not followed procedures. It protects both the school and individuals if those who have a financial role acknowledge receipt and understanding of the sections of the finance manual, which affect them.

This manual will be circulated to the following people:

|  |  |
| --- | --- |
| **NAME** | **JOB TITLE** |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |

All staff issued with the manual should receive appropriate training on the areas that they should be following.

### GOVERNANCE

#### Responsibility Chart

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Governing Body** | | |  |  |
|  |  |  | |  |  |
|  |  |  | |  |  |
|  |  |  | |  |  |
| **Other Committees – incl.**  **(list other committees)** | |  | **Finance Committee** | | |
|  |  |  | |  |  |
|  | **Headteacher and Senior Leadership team** | | |  |  |
|  |  |  | |  |  |
|  |  | **Bursar/Office Manager** | | |  |
|  |  |  | |  |  |

The above table illustrates the delegation of financial responsibility from the Governing Body, to its Committees, the Headteacher and the Bursar/Office Manager.

### Role of the Governing Body

The Governing Body is collectively responsible for the overall direction of the school and its strategic management. The Governing Body should act as a “critical friend” to the Headteacher by providing advice and support. The Governing Body is also responsible for ensuring that the school meets all its statutory requirements and in conjunction with the Headteacher, the Governing Body has the following responsibilities:

1. Setting the Strategic Framework for the School.
2. Setting the School’s educational and financial priorities.
3. Setting policies and targets for achieving objectives and monitoring progress made by the School.
4. Setting the School’s budget.
5. To carry out regular budget monitoring to ensure the School’s finances are being managed effectively and that a balanced budget is achieved.
6. Overall responsibility for staffing matters at the school.

**Governors’ Committees**

In order to meet its obligations the Governing Body has set up the following committees:

**Committee** **Frequency of meetings (e.g. termly)**

**Finance**  **Every Half-term**

For this committee Governor’s should be provided with the following information:

1. The latest SIMS Income and Expenditure CFR Statement.
2. The latest LA Income and Expenditure CFR Statement.
3. The latest monthly reconciliation spreadsheet.
4. The quarterly outturn statement.
5. A written narrative to detail any significant variances whether these are adverse or favourable.

**[PLEASE INSERT OTHER COMMITTEES]**

The Governing Body has defined and documented its financial responsibilities and those it has delegated to its committees. These are listed at **Appendix A** and terms of reference for each committee can be found in **Appendix B**. Terms of reference will be reviewed and updated annually by the Governing Body to ensure their continued appropriateness.

The terms of reference for each of the committees were last reviewed on:

The Governing Body has appointed **[INSERT]** to take minutes of all full governing body and committee meetings. Minutes should clearly state the following:

Who is presenting the topic for discussion,

Decision made / outcome of the report,

Who made the decision,

What action is required to be taken and by whom,

When the action needs to be completed by.

Minutes of committee meetings will be reviewed and formally ratified at the next meeting of the full Governing Body. These minutes should be signed and dated by the Chair of Governors.

**Appendix C** lists those financial responsibilities of the Governing Body, which should form part of its annual agenda.

**Declarations of Interests**

It is the responsibility of all staff/governors to ensure that they are not placed in a position which risks, or appears to risk, conflict between their private interests and their position as a member of staff/governing body. It is for the member of staff/governing body to always remain impartial and honest in the conduct of their official business and with their own dealings with the School, and to notify the School of any change in their circumstances/interests that may impact in any way upon their employment or upon the School in general.

The Governing Body will establish a register of business interests for Governors, the Headteacher and any staff who influence financial decisions. For example, Governors and staff should declare any links with local firms from which the school may wish to buy goods or services, any links to other Governing Bodies and any relationships with School Staff. The register is reviewed and updated annually and should be retained on the school site so that it is open to examination by the public. This should also be made available on the School’s website.

A sample declaration of business interests form can be found at **Appendix D**. A form should be completed and signed for each individual required.

Person responsible for updating register **[INSERT]**

Date of last review/update of register **[INSERT]**

In addition to this, at the start of every Full Governing Body and Committee meeting, Governors are asked if the have any private interests with the topics to be discussed at the meeting and this will be clearly minuted.

**Role of the Headteacher**

The role of the Headteacher includes:

1. The management of the school’s financial position at a strategic and operational level.
2. The management of effective systems of internal control.
3. The management of other financial issues.
4. To monitor and review staffing and agency costs

The Headteacher advises the Governing Body, provides agreed levels of documentation for its review and decision making and undertakes tasks as delegated by the Governing Body in the School’s scheme of delegation.

Where the Governing Body has delegated financial responsibilities to the Headteacher (and/or other staff members), these are defined at **Appendix E***.*

It is important that the School decides how the remit will be fulfilled and it may be helpful for the Finance Committee to discuss with the Headteacher which functions will be carried out by the Headteacher personally, and which will be delegated to the Bursar/Office Manager. The Headteacher will hold regular meetings with the Bursar to discuss the financial position of the school.

**Register of Hospitality**

It is important to recognise that the interest of the School must remain paramount at all times and that employees should not use their official position for private gain, employees should not accept gifts, inducements or promotional offers for their personal use or that of colleagues.

Casual gifts from pupils or offered by contractors or others, for example at Christmas or the end of term time, which may not in any way be connected with the performance of duties so as to constitute an offence under the Prevention of Corruption Acts, need not necessarily be refused, but if there is any concern that the donor (for example a parent, supplier or contractor) may be trying to gain favour then they should be politely and firmly refused or employees should seek guidance from their headteacher.

No employee is entitled to retain on a personal basis any goods; gifts, money or service discounts which are a normal purchase or promotional offer to the school. Where gifts are received which are the subject of a normal purchase or promotional offer, or where a gift is made and the donor refuses to take the gift back, these must be reported immediately to the headteacher. These may then support school fundraising or be handed to the Council’s Chief Executive for disposal through auction or as prizes for the Mayor’s Charity Fund. Whatever happens, the employee must ensure that these gifts have been recorded as received in the appropriate “Gifts and Hospitality” record book held within the school.

Modest hospitality provided it is normal and reasonable in the circumstances, for example lunches and/or dinners in the course of working visits, conferences or professional gatherings may be acceptable. However employees should decline all other offers of gifts, hospitality or entertainment and must be alert not to jeopardise any decisions that they take, which may conflict with or be detrimental to the school’s interest. Any hospitality received must be recorded in the “Gifts and Hospitality” record book held within the school. If any employee is unsure whether the acceptance of hospitality is likely not to be in the school’s interest they should seek the advice of the headteacher/Chair of Governors in the first instance.

Hospitality which is lavish, extravagant or which exceeds modest proportions must always be refused even if it appears acceptable.

The school’s delegated budget must not be used for hospitality, which is lavish, extravagant or exceeds modest proportions. The Governing Body has agreed parameters within which the headteacher may take financial decisions. Any expenditure outside the limit set by the Governing Body must be referred to the appropriate committee of the Governing Body for ratification.

An example of a hospitality record can be seen in **Appendix F**

**Whistle-blowing Policy**

The LA Personnel Handbook for schools (Chapter 4 – Employment procedures, section 8, provides details of the whistle-blowing policy. **Governors have approved the policy and communicated it to all staff.**

The aim of the policy is to: -

* encourage you to feel confident in raising serious concerns and to question and act upon concerns about practice.
* provide avenues for you to raise those concerns and receive feedback on any action taken.
* ensure that you receive a response to your concerns and that you are aware of how to pursue them if you are not satisfied.
* reassure you that you will be protected from possible reprisals or victimisation if you have a reasonable belief that you have made any disclosure in good faith.

The policy can be located at www.learning.luton.gov.uk

**Fraud**

All Schools must have a robust system of controls to safeguard themselves against fraudulent or improper use of public money and assets.

Governors will establish a fraud policy for the School. Approval of this policy by the Governing Body will be minuted and the policy will be reviewed on an annual basis. A copy of the most recent fraud policy is attached at **Appendix G.**

The Governing Body and Headteacher must inform all staff of school policies and procedures related to fraud and theft, the controls in place to prevent them; and the consequences of breaching these controls. This information must also be included in induction for new School staff and Governors.

**Schools Financial Value Standard (SFVS)**

All local authority maintained schools must demonstrate compliance with the Schools Financial Value Standard (SFVS) and complete the assessment form on an annual basis.

Governors must demonstrate compliance through the submission of the SFVS assessment form signed by the Chair of Governors during the spring term. The form must include a summary of remedial actions with a clear timetable, ensuring that each action has a specified deadline and an agreed owner.

The Governing Body has delegated the consideration of the SFVS questions to the Finance Committee to take place during the autumn term and a detailed report will be provided to the Full Governing Body, before the SFVS assessment form is signed by the Chair of Governors

All maintained schools with a delegated budget must submit the SFVS assessment form to the local authority annually before 31st March.

SFVS assessment template can be found on:- https://www.gov.uk/guidance/schools-financial-value-standard-and-assurance-sfvs

**Risk Management**

Risk is the threat that something (an event or action) will adversely affect a school’s performance and its ability to successfully deliver its strategies. Risk management is the process by which such risks are identified, their severity assessed and cost effective actions are taken to reduce (mitigate) them to acceptable levels. It is a key element of the framework of a school’s overall governance. Hence, it is essential that Governors and staff all understand the principles and practices of risk management.

A key point is that Risk Management should not make a school totally “risk averse”. Rather it should make the school (it’s Governors and staff) “risk aware” i.e. risk management should promote controlled risk taking. As such risk management is consistent with:

* increasing rather than reducing innovation
* creating a culture of risk awareness whereby staff and governors naturally consider risk issues as a part of day to day activities

Risk management is clearly much broader than financial management alone. You may therefore ask “how it fits into a standard for financial management?”. The answer is that there are many overlaps between risk and financial management with the internal control system being the most obvious and most notable one. A school’s system of internal control is one part of its risk management process. It:

* has a key role to play in the management of significant risks that threaten the achievement of the schools aims and objectives;
* contributes to the safeguarding of public funds and assets and the achievement of value for money because it facilitates the effectiveness and efficiency of operations;
* helps to ensure the reliability of information used for internal and external reporting;
* assists with compliance with laws and regulations.

Each school should, therefore, seek to maintain a sound system of internal control. It makes sound business sense for schools to manage risk effectively and for all staff to exercise internal control and risk awareness in every aspect of their work. In particular recognising and dealing appropriately with the key strategic risks facing a school, enables it to identify the key actions it must take to achieve its main goals.

The benefits of implementing good risk management processes are fairly self-evident. In its publication “Worth the Risk” (2001) The Audit Commission summarised the following range of benefits (these have been edited to fit better into the school context):

* increased focus on what needs to be done (and not done) to meet objectives;
* more satisfied stakeholders;
* better management of change programmes;
* more calculated/innovative risk taking;
* fewer complaints;
* better controlled insurance costs;
* improved quality of learning environment;
* better ability to justify actions taken;
* achieve efficiency and value for money;
* getting things right first time more often i.e. less waste.

The DfE publication “Insurance – A guide for schools” (2003) more specifically identifies that effective risk management at schools will reduce:

* disruption of children’s education;
* damage to a schools reputation;
* the negative effect of incidents on staff and pupils morale;
* time lost in reacting to incidents, handling claims etc;
* the stress and anxiety that always accompanies accidents and losses;
* the cost of insurance cover as premiums reflect claims history.

Taken together these benefits potentially give a school a competitive advantage in terms of efficiency and effectiveness over other schools that may compete with it for pupils, staff and scarce resources. They also help to safeguard the School’s reputation, but more importantly they help schools to avoid nasty surprises and the consequent need for a management response that diverts resources away from teaching.

Firstly, everyone involved with the running of the school must understand that Risk Management is about risk mitigation (reducing risks to an acceptable level) not risk elimination. Hence, the process:

* starts by identifying the “Inherent Risk” i.e. the risk faced if no action was taken to mitigate it;
* proceeds to assess the “Residual Risk”, which is the actual risk exposure after risk mitigation measures have been implemented. Residual risk can then be compared to the level that the school considers to be “Acceptable Risk” and further mitigation measures are only necessary when “Residual Risk” exceeds the “Acceptable Risk”

Secondly, risk management must be an inclusive process as it is the staff who are involved with the school’s day to day operations who will best understand the risks it faces and will be key to the management of those risks.

Thirdly, to be effective Risk Management processes need to take account of a much wider range of risks and most risks probably have some, albeit indirect, financial consequences.

Because the ranges of risks are potentially very wide it helps to categorise the risks. Risk categorisation helps staff to generate a fairly comprehensive picture of the risks a school faces. It also helps the school to structure its risk mitigation strategies and procedures. In its publication “*Worth the Risk*” (2001) the Audit Commission summarised the risks under two headings i.e. Strategic and Operational, as follows.

**Strategic Risks -** These need to be taken into account in judgements about medium to long term goals and objectives of the School. Strategic risks include:

* **Political –**associated with implementing government policy.
* **Economic –**affecting the schools ability to meet its financial commitments.
* **Social –**resulting from demographic and socio-economic trends.
* **Technological –**the school may not be able to keep pace with technological change and therefore fail to exploit opportunities or fail to provide pupils with good ICT skills.
* **Legislative –** failing to comply with new or existing national or European law.
* **Environmental –** arising from the environmental consequences of school pursuing its strategic objectives e.g. emissions, waste.
* **Competitive –** affecting the cost or quality of the school’s activities.
* **Customer/Citizen -** related to failing to meet the current or changing needs of stakeholders.

Managing strategic risks requires a school to have an outward looking approach rather than a purely internal focus. Senior staff and Governors are, therefore, more likely to be prominent in the identification of strategic risks and the planning and implementation of risk mitigation strategies, than more junior staff.

**Operational Risks -** These are the risks that are encountered by staff in the daily course of their work. They include:

* **Professional –** related to the quality of education and welfare of pupils.
* **Financial –** leading to financial losses including the adequacy of insurance cover.
* **Legal –** related to non-compliance with legal requirements.
* **Physical –** related to fire, security, health and safety etc.
* **Contractual –** leading to suppliers not providing the agreed level/quality of goods/services.
* **Technological -** related to technological failure.
* **Environmental -** arising from the environmental consequences of a schools day to day activities.

The Audit Commission notes that these risk categories are not comprehensive. However, they do provide a basic framework within which staff and Governors can discuss the risks facing the school and the measures that are being/could be taken to mitigate them.

**Fourthly,** risk management is a **continuous process**. It should not only be a “one off event” at a particular time of the year. Having said this to practically ensure the process is carried out and to ensure people devote the necessary time to it formal meetings, seminars etc. at which risk management is discussed do need to be organised. A good idea is to make it a standing agenda item a regular management meetings. The full ongoing process is:

**Step 1** - establish the context (Environmental factors, and Council Wide factors) around the risk management process. This will help you identify many of the strategic risks in particular.

**Step 2** – identify the risks that the school faces and record in a risk register.

**Step 3** – review how current internal control systems mitigate the risks identified and record the control in the risk register.

**Step 4** – estimate the risk level by determining **how likely each risk** is given the controls in place and **how serious each risk would be** (its impact) if it occurs in relation to the finances, operations, reputation etc. of the school.

**Step 5** – rank the risks in priority order. This is to prioritise the risks that need new actions to bring “Residual Risk” in line with target “Acceptable Risk” exposure levels. This step is essential as the aim is to focus scarce management and staff time on the most serious risks rather than every possible risk.

**Step 6** – for priority risks, plan and implement cost effective risk mitigation actions. Insurance is **only** one option available to a school, others include:

* accepting the risk and absorbing any losses/consequences
* accepting the risk, but making continuity/contingency plans to cover the reaction period
* implementing preventative internal controls
* risk transfer or sharing i.e. to or with a contractor or partner
* eliminating the risk by ceasing associated activity/removing the source of the risk

**Step 7** – Constantly keep the risk register and the risk mitigation plans up to date as more information is gained so that the “Residual Risk” exposure can be constantly compared to the target “Acceptable Risk” levels. A key issue here is that a **“Risk Response Plan”** is needed for unacceptable risks. This needs to be communicated to those involved and in some cases it may be wise to trial run or practice a contingency plan that is put in place.

**2 FINANCIAL PLANNING**

Financial Planning is an essential part of good financial management. It provides the school with a clear view of how it intends to use its resources. It has two interlaced elements: The School Plan and the School Budget Plan.

### The School Plan

The **Headteacher/Governing Body** is responsible for producing a medium term School Plan, which should cover a period of 3 years. The plan should state educational priorities in sufficient detail for constructing annual budget plan and the three year budget plan. The School Plan should contain the following:

1. Specific objectives for each curriculum area.
2. Costs and Resources required for meeting objectives.
3. Any related funding.
4. How the objective will be monitored.
5. Target date for completion.
6. Progress to date column.

The School Plan will link to the priorities laid down in the Authority’s Education Development Plan, as well as DfE/OFSTED requirements. The plan will be monitored by the Senior Management Team on a monthly basis and by the Curriculum Committee on a termly basis.

**Linking the School Plan to the Budget**

To ensure that the School Plan is viable and that its implementation is feasible, it should reflect the priorities and the constraints of the annual budget. When drawing up the plan, it is important that:

* the annual budget should be seen as the financial expression of the School Plan;
* timetables for the devising of the School Plan (and other areas mentioned above) are integrated.;
* the same group of staff have responsibility for devising and plan and setting the budget;
* budget information is produced in programme format to aid analysis and review;
* the School Plan does not become unrealistic through a disproportionate focus on the costs of initiatives in year 2 and year 3.

To assist with the linking of the School Plan and 3 year budget plan the Local Authority released a software package called “FPS Web”. This combines the construction of the School Plan to the budget preparation process. When costings are entered on to the SDP module it is automatically linked to the budget planning software enabling you to see how the school plan strategy impacts on the long term financial position.

### School Annual and 3 year Budget Plan

The school annual and 3 year budget plan is set up to support the strategic objectives of the School as laid down in the School Plan, as well as targets established by the DfE/LA e.g. Post OFSTED plan etc.

A summary of the annual timetable for the planning/approval process for the school budget plan is set out below.

|  |  |
| --- | --- |
| **Month** | **Action** |
| [insert] | Budget figures are received from the LA. |
| [insert] | The **Bursar/Office Manager** begins the construction of the budget plans in consultation with the Headteacher and Senior Leadership Team. |
| [insert] | The **Bursar/Office Manager** will discuss with the **Headteacher** the draft budget plans prior to its initial presentation to the **Finance Committee**. |
| [insert] | Approval of the draft budget plans from the **Finance Committee**. |
| [insert] | Approval of the final budget plans from the **Full Governing Body**. |

It is essential that the school sets a balanced budget. The aim of the budget setting process is to ensure resource allocation matches school priorities. Poor financial planning or unplanned spending can cause over or under spending. The important things that need to be decided are whether the budget is realistic, and whether there are satisfactory systems in place to aid both the setting of the Annual Budget and subsequent regular period reporting to the Headteacher and Governors.

The draft budget plans are prepared by the **Bursar** along with the **Headteacher**, following consultation with relevant parties and is presented to the **Finance Committee** in draft format for its input and review in the Spring Term. Once approved by the Finance Committee, they will recommend the budgets for approval by the Full Governing Body.

To allow all elements of the budget to be fully considered and checked for reasonableness, the following information is provided to Governors to support the draft budget plans:

* A written narrative to support the budget
* A comparison between the previous financial years actual expenditure compared to the new budget
* A breakdown of Staffing costs (as this forms 80% of the budget for most Luton Schools)
* The Formula funding allocation sheet (a copy is not required for each Governor but the school should take a copy along to the meeting)
* A Breakdown of all other income and expenditure

The Finance Committee must give approval of the draft budget at the meeting that takes place in the summer term. The discussions that took place and the approval should be clearly minuted.

**Date of last approval: [insert]**

The full Governing Body must give approval of the final budget at the meeting that takes place in the summer term. The discussions that took place and the approval should be clearly minuted.

**Date of last approval: [insert]**

Once the full Governing Body has approved the final budget, a signed copy should be forwarded to the LA in accordance with specified deadlines.

Periodically, the elements of the budget are subject to fundamental review to ensure that budget headings/allocations remain relevant and are not carried forward merely on an historic basis.

**Date of last full review:** **[insert]**

Following approval of the annual budget plan, the School may wish to vire (transfer) funds between budget headings as priorities change or as unforeseen income or expenditure arises. Any significant changes to the approved budget plan must be:

1. authorised in accordance with the School’s Scheme of Delegation as detailed at Appendix E.
2. updated on the School’s financial system.
3. notified to the Local Authority LMS Team to enable the Authority’s records to be updated.
4. Clearly identifiable within the Finance Committee minutes.

**Additional Grants e.g. Lottery Money, etc.**

Where the School receives additional monies during the year, the Headteacher/ Finance Committee will allocate these to approved objectives within the School Plan.

Such funding may require it’s own separate accounting records. If so these should be monitored alongside the budget.

### 3 BUDGET MONITORING

The **Bursar** is responsible for ensuring that the approved budget plan is accurately maintained on the School’s financial system.

On receipt of the Authority’s monthly statement, the **Bursar** will promptly reconcile this statement to school balances. Any variation between budget allocations on the Authority’s monthly statement and the School’s financial system should be investigated and resolved to ensure that records are consistent and accurate. If the school is unable to resolve theses issues themselves they should contact their School’s LMS Adviser. Any significant/long term outstanding items should be reported to the Headteacher. Printouts of month end reconciled balances on the School’s system will be retained in case of future query and to demonstrate to School management/Governors that the reconciliation procedure has been correctly completed

Where budget adjustments occur but the school chooses not to vire funds, written explanations for variances between budgeted and actual income and expenditure must be maintained to enable School Management/Governors to accurately monitor the budget.

The headteacher has overall control of the budgets but some Curriculum areas have been delegated as follows:

|  |  |  |
| --- | --- | --- |
| Budget Manager | Budget Title | Budget Value |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |

### Responsibilities of Budget Holders

Prior to expenditure being entered against a cost centre on the School’s Financial Management System, the budget holder must approve the costs incurred on a purchase requisition form. They will also be required to get the headteacher to countersign the purchase requisition form. Budget Holders are responsible for ensuring as far as possible, that the expenditure they approve is recorded on the School’s Financial System at the time funds are committed. Delegated budget holders are responsible for monitoring their budgets and will highlight variances in income and expenditure against budget to the **Bursar**. On receipt of the budget holders monthly cost centre report as detailed below, budget holders should check the reports for accuracy and confirm with the bursar that the reports are correct. Any discrepancies should be raised with the bursar immediately.

### Provision of Budget Monitoring Information

To enable the budget to be effectively monitored, the following financial information will be made available to the Headteacher, Governors, Senior Leadership Team and budget holders on a monthly basis:

**Report**

**Headteacher** Budget Reconciliation / Bank Reconciliation / Transaction listing by Cost Centre / Quarterly Outturns / Monthly profiled budget spreadsheet / Aged Creditors Listing / Aged Debtors Listing

**Senior Leadership Team** Transaction listing by Cost Centre / Quarterly Outturns / Monthly profiled budget spreadsheet / Aged Creditors Listing / Aged Debtors Listing

**Delegated Budget Holders** Transaction listing by Cost Centre

**Finance Committee** Reconciliation Spreadsheet / SIMS Income and Expenditure Reports / LA Income and Expenditure Reports / Quarterly Outturns / Monthly profiled budget spreadsheet / Aged Creditors Listing / Aged Debtors Listing / Percentage of non-order invoices / Virement Schedule / Capital Income and Expenditure Reports

**Full Governing Body** Reconciliation Spreadsheet / SIMS Income and Expenditure Reports / LA Income and Expenditure Reports / Quarterly Outturns / Monthly profiled budget spreadsheet / Aged Creditors Listing / Aged Debtors Listing / Percentage of non-order invoices / Virement Schedule / Capital Income and Expenditure Reports

Governors minutes should clearly state what financial information they have been provided with and any discussion that have taken place around the financial information.

### Grants / External Funding

Grants will be linked directly to objectives laid down in the School’s Plan and will be spent in accordance with requirements of the DfE/funding body.

Purchases funded from grant income will be subject to the same levels of internal control as purchases from the School’s delegated budget.

Where monies are earmarked, for example, Capital, the School will maintain sufficient records to be able to demonstrate to Governors/funding body/the Authority that funds are spent in accordance with stipulated requirements.

The **Headteacher/Bursar** will ensure that all grant income is spent in accordance with deadlines specified by the awarding body and that any required financial returns are completed and submitted on a timely basis.

**Closure of Annual Accounts**

Upon receipt of FIS reports for Period 12, the **Bursar** ensures that the actual balances on the school software reconcile to the information held by the LA. Any queries will be raised with their School Financial Adviser. This is particularly important in view of the Consistent Financial Reporting return, which must be produced in June of each year.

The school also completes a working paper called Analysis of Revenue Balances and shows the breakdown of committed and uncommitted balances. This document is presented to the Full Governing Body at the Summer Term meeting as confirmation of unspent balances. The presentation of this is clearly documented within minutes along with the actual level of unspent balances.

Final entries in respect of creditors, debtors, accruals and prepayments are prepared by the **Bursar**.

**Scheme 1 bank account Schools only -** Creditors, debtors, accruals and prepayments should be entered onto the School’s financial system by 30th April of each year, with a copy of the final summary trial balance being submitted to the LMS team by the first working day in May. Summary lists of creditors, debtors, accruals and prepayments should be submitted at the same time.

Further information on the annual closure of accounts can be seen in guidelines produced by the Local Authority LMS team.

### 4 SCHOOL BANK ACCOUNTS

The School has the following bank accounts with **XXXX**:

**Account Name** **Account No.**

**Main Budget** **[insert]**  **[insert]**

The School cheque account is running on Scheme 1 / 2

The Governing Body has approved the following members of staff as authorised signatories for **all** of the School’s bank accounts:

|  |  |  |
| --- | --- | --- |
| **NAME** | **POSITION** | **SIGNATURE** |
| **[insert]** | **[insert]** |  |
| **[insert]** | **[insert]** |  |
| **[insert]** | **[insert]** |  |
| **[insert]** | **[insert]** |  |
| **[insert]** | **[insert]** |  |

The **Headteacher** has overall responsibility for the operation of the School Bank Account. The **Headteacher** will ensure that responsibilities for the day-to-day operation of the account are delegated to a sufficient number of staff to ensure segregation of duties is maintained. (No member of staff may be involved in the preparation, issue and authorisation of cheques/BACS/Internet Banking). Delegated responsibilities for the day-to-day operation of the bank account are detailed below.

|  |  |  |
| --- | --- | --- |
| **Responsibility** | **Member of Staff** | **Authorisation limits, where applicable** |
| Approval of invoice. |  |  |
| Safe custody of cheque stationery. |  |  |
| Completion of manual cheque / automated cheque run/  Load the BACS file/ Internet payment |  |  |
| Cheque authorisation  BACS file/Internet payment |  |  |
| Bank account reconciliation. |  |  |
| Review of bank reconciliation. |  |  |
| Monitoring of account balance. |  |  |

The School Bank Account **must** be operated in accordance with the procedures and controls laid down in the Authority’s Local Bank Account Scheme and the Authority’s Scheme for Financing of Schools, electronic copies of which can be found on the Learning Grid.

In particular:

**Payment by Cheque**

1. All cheques **must** be signed by two of the of the account’s authorised signatories for cheques
2. Cheques **must** not be pre-signed.
3. Cancelled cheques must be crossed through on the front and stapled to the back of the chequebook.
4. All cheque payments must be supported by appropriately authorised documentation (see purchasing section).
5. Following payment, the cheque number should be written on the invoice and documentation should be filed in cheque number order
6. Cheque stationery **must** be held securely in the school safe

**Payment by BACS/Internet Banking**

1. When setting up a new supplier on SIMS FMS6; details for BACS/Internet payments **must** be verified by a second person.
2. All BACS/Internet run reports **must** be signed by two of the account’s authorised signatories. Defined limits for individual payments should be set by the Governing Body (e.g. over £100,000 to be authorised by Chair of Governing Body).
3. Cancelled BACS/Internet run report must be crossed through and kept.
4. All BACS/Internet run reports musts be supported by appropriately authorised documentation (see purchasing section).
5. There **must** be a clear separation of duties between the person maintaining supplier and invoice data on SIMS FMS6 (who can also load the BACS/Internet file) and the people to authorise and release the payment on BACS file/Internet file. Although, two people are required to check the associated paperwork and sign the BACS run report, only one is required to authorise the imported file on Bankline.
6. There must be control over users’ access rights. Set up users’ with the appropriate access rights e.g. the user authorised to release payments has access to this area only.
7. Cards used for the two tiers to authorise and release the payment on BACS file/Internet file **must be kept secure and under no circumstances will the card and PIN be given out to another member of staff**.
8. The bank account **should not** be allowed to go overdrawn.
9. Reconciliations of the local bank account must be performed on a monthly basis and submitted to the Local Authority LMS Team in accordance with the Authority’s Scheme for Financing of Schools.
10. Reconciliations and banking/VAT returns must be independently reviewed and submitted to the Authority by the 15th/10th day of the following month retrospectively.
11. Any Standing Orders must be approved in accordance with the School’s Scheme of financial delegation.
12. Bank paying in books **must** be held securely.

### 5 BANK ACCOUNTS – GENERAL

**(i) Payments to Individuals**

Except for those schools processing their own payroll, the School Bank Account and Petty Cash Account **must** **not** be used for transactions of a payroll nature or to reimburse travel expenses. Other than in exceptional circumstances, cheques should not be made out to individuals.

Where external providers sell services to the school, for example, educational consultants, small repairs etc. unless the person provides documentation to the School proving that they are registered as self employed for tax purposes, the School should submit a casual time sheet to payroll to effect payment. If in doubt, advice should be sought from Exchequer Services in Commercial and Transformation Services.

### (ii) Payments relating to Building Works

With the start of the new Construction Industry Scheme on the 6th April 2007, SI2005/2045 regulation 22 specifically excludes from the Scheme any payments made for construction operations by the Governing Body or Headteacher. As such, schools in respect of such payments from 6th April 2007 should not operate the Scheme. Any queries should be directed to Exchequer Services.

### (iii) Petty Cash

The School maintains a petty cash float of **[insert]**, which is administered by the **[insert]** and held securely with restricted access.

A petty cash request form must be completed prior to any purchases being made, this must be approved by the **Headteacher**, this is to ensure that the purchases are appropriate for the schools use and that there is sufficient budget available to support these costs.

All items purchased through petty cash must be supported by appropriate documentation and where possible, a VAT receipt. Personal Shopping should **not** be included on the receipt in order to ensure that they are only reimbursing the costs of the school purchases. Prior to reimbursements being received they should be authorised by the **Headteacher**. Claimants should sign petty cash request forms to evidence that they have received reimbursement.

The school has set a limit of **£50** for a cash reimbursement. For purchases over **£50** the reimbursement will be made by Cheque, however staff should not be making purchases on behalf of the school in excess of £100unless there are exceptional circumstances which should be fully documented

**Personal cheques should not be cashed from the petty cash fund and under no circumstances should school income be used for petty cash purposes.**

Petty cash and receipts will be reconciled by the **Bursar** on a monthly basis (i.e. cash plus vouchers are agreed back to the imprest balance). Any discrepancies should be reported to the headteacher and investigated immediately.

A member of the **Senior Leadership Team** will periodically perform independent checks on the petty cash account.

A copy of the Petty Cash Request form can be seen in **Appendix H**.

### (iv) Cash Security

Cash and chequebooks will be held securely in the School safe. Safe keys are taken off site every night.

Access to the safe should be restricted to the key holders at **all** times and should never be left unattended when it is unlocked. When staff are bringing money over to put in the safe this should be handed into a member of the Finance Team. A form should be filled in by the member of staff bringing in the money detailing how much they are putting in the safe and what coinage it is made up of, they should then sign and date the form. The member of the Finance Team who is receiving the money should also sign and date the form.

**(v) Corporate Purchase Cards**

The purchase card scheme is available to all local bank account schools. Schools wishing to join the scheme should ensure that **approval is sought** from their governing body before completing an application form **for each cardholder** and a direct debit mandate. Both of these forms should be signed by two authorised local bank account signatories.

The purchase cards for schools scheme is co-ordinated by the LMS Finance Team. The processes covered on behalf of schools are: Card issue, card re-issue (on expiry); returned cards; amendment of limits and Merchant Category Groups (which can be used to restrict types of purchases) for cardholders.

Controls around the use of the card are as follows:

* The card is issued in the school name but is for the use of a specified member of staff;
* The card is signed by the cardholder and they have also read and signed a copy of the procedures for use of the card;
* Monthly purchasing limits and single transaction limits are prescribed;
* Cardholders are restricted to a standard set of Merchant Category Groups which will give schools control over purchases made by staff;
* A log is maintained by the cardholder of all purchases made **(an example of this can bee seen at appendix I)**;
* All card receipts and VAT receipts must be retained.
* Any changes to card limits should be approved by the Governing Body or delegated Committee

**Transactions will only carried out by the card holder and under no circumstances is the card and pin number given out to another member of staff. Private use of the card is strictly prohibited**

At the end of the month a statement for each cardholder is sent to the school for the attention of the Bursar. This will be reconciled to the receipts held by the school and will then be independently reviewed **(please note: this should not be the card holder)**. Any discrepancies will be reported to the member of staff with responsibility for the reviewing of transactions immediately for investigation, where appropriate this should then be reported to the Headteacher.

Expenditure processing on SIMS should be carried out on a timely basis upon receipt of a statement and before the monthly bank returns are submitted to the LMS Team.

### 6 FINANCIAL RECORDS AND DATA SECURITY

### Data Protection

The School is registered under the Data Protection Act (date registered **[insert]**) and to comply with this Act, the School will ensure that:

1. people are informed as to why data is being collected.
2. information is treated sensitively and carefully.
3. information is used and disclosed only for the purpose for which it was collected.
4. information is kept accurate and up to date.
5. information is only held for as long as it is necessary for the purpose.
6. individuals are allowed access to information held on them (in accordance with approved procedures).
7. appropriate security measures are taken to prevent unauthorised or unlawful processing, disclosure, loss or alteration of information.
8. information is transferred only to countries that have adequate levels of data protection laws.

**Freedom of Information**

The Freedom of Information Act was fully implemented in January 2005 and provides for a general right of access to information held by public authorities, including Schools. Further information on the processes to be followed in the event of a request for information being received can be obtained from [feedback@luton.gov.uk](mailto:feedback@luton.gov.uk)

### Financial Records

Financial records will be retained for six years plus the current financial year. The **Bursar** is responsible for ensuring that accounting records are held securely and for the necessary time period. .

### Access Controls and Data Security

The following staff have access to the School’s financial management system:

|  |  |
| --- | --- |
| **System User** | **Access Level** |
| **[insert]** | **[insert]** |
| **[insert]** | **[insert]** |
| **[insert]** | **[insert]** |
| **[insert]** | **[insert]** |

All staff **must** have their own unique passwords, which should be changed on a termly as a minimum

Where a member of staff leaves the School, the System Administrator will immediately remove the access rights of that member of staff to all information systems.

The School’s Financial Management System is currently protected by Norton Anti-virus software. This package is updated on at least a weekly basis via an online connection.

Unauthorised or illegal software must not be used on the school’s computers. All staff are required to sign an IT contract detailing what can or can’t be used on the school computers/laptops. If staff want any additional software on their machines they must request the Network Manager to install this.

### Internet Access

The school uses Luton Borough E2B consortium as their internet provider. All staff with a computer has access to the Internet. They are required to sign to acknowledge that they will abide by the Internet policy of the School/Authority on joining the school. In addition to this all pupils/parents are given a pupil agreement form at the start of their time at the school, which includes internet use.

### Computer Back Up

The School’s financial management system is backed up on a daily basis. Every Friday a full system back of the weeks data is made. Back ups are made via the zip drive on the bursar’s computer / online data cloud. Where possible back ups of the school system are taken off site over night, where this is not possible back ups a held away from the finance office in a secure fireproof location.

### Asset Register

Asset management is controlled through the establishment of an asset register with an annual physical stock-take undertaken during the Autumn Term to verify the existence of assets and confirm their location. The register includes the following:

1) Assets which have a purchase cost equal or greater than £100. This includes assets under the following categories:

* ICT Equipment
* School operational equipment
* Vehicles

1. Assets which are considered to be high risk in respect of their security, due to their attractiveness, size or portability, are recorded irrespective of cost. (For example digital cameras, printers, laptop projectors, etc)

If equipment is given out on loan this is approved by the Headteacher prior to the staff member taking the piece of equipment. Loan records are maintained so that the whereabouts of equipment can be identified at all times.

If equipment is no longer fit for purpose then removal of the equipment from the asset register should be approved by the Full Governing Body, unless this has been delegated to the Finance Committee. Minutes should clearly state the piece of equipment being disposed and that approval has been given by Governors. If the assets is being disposed of by sale then the amount raised by the sale of the assets should be reported back to the Governing Body.

### 7 PURCHASING

As manager of the school budget, the **Headteacher** is responsible overall for purchasing procedures within the School. Specific responsibilities are delegated as follows:

|  |  |
| --- | --- |
| **Function** | **Member of Staff** |
| Obtaining quotations/market testing. \* | **[insert]** |
| Completion of the manual order / OPEN order |  |
| Check budget is available | **[insert]** |
| Input of the manual order or Upload of the OPEN order to School system. | **[insert]** |
| Approval of SIMS official purchase order. | **[insert]** |
| Placement of order. | **[insert]** |
| Checking of goods to delivery notes. | **[insert]** |
| Checking of goods to purchase order. | **[insert]** |
| Checking of invoice for:   1. Agreement with purchase order. 2. Agreement with quotation. 3. Goods received/work completed. 4. Discount taken. 5. Budget provision available. | **[insert]** |
| Approval of invoice. | **[insert]** |
| Approval of payment/signing of cheque/BACS/Internet Banking. | **[insert]** |

\* please note that a free quotation service is available on the website for the national bursars association **(**[**http://www.nba.org.uk**](http://www.nba.org.uk) **)**

### Efficiency and Value for Money

Because the School is using public funds, it is vital that we achieve efficiencies and value for money from all our purchases, whether they are goods or services, to optimise the use of their resources. In this context, value for money is about getting the right quality at the best available price. This often means looking further ahead than the immediate purchase, especially when selecting equipment, and taking into account any associated costs such as supplies and maintenance.

For low value orders, staff will be expected to reference and compare catalogue price lists. For larger orders, quotations/tenders will be obtained in accordance with the Authority’s Contract Procurement procedures for Schools.

The School should maintain a list of approved major and regular suppliers, which should be reviewed periodically. This will help ensure that orders are placed with suppliers who have a proven capacity to provide quality, quantity and timely delivery at a competitive price.

The **Bursar, Senior Leadership Team** and the **Finance Committee** should review areas of spending and income opportunities on a planned basis and use benchmarking to ensure that the school continues to achieve efficiencies and provide value for money.

### Ordering Procedures

Manual purchase orders are raised, approved by the budget holder either on a manual requisition form or via the DfE Open Software. An example of the School’s requisition form can be seen at **Appendix J**. Before the order is raised on the system the **Bursar** must ensure that there is sufficient budget to cover the costs of the order. If there are insufficient funds within the budget then the budget holder should be contacted to discuss the situation before the order is placed.

When the order has been raised on the School’s Financial System and authorised in accordance with School procedures, the requisition is filed with a copy of the official purchase order in numerical order.

In exceptional circumstances it may be necessary for a member of staff to purchase an item, on behalf of the School that is above the petty cash limit. Prior to such purchases being made, written approval **must** be obtained from the **Curriculum Head** for the relevant department and the **Headteacher**, a purchase order should then be raised on the School system. Reimbursement will then be made by cheque in accordance with School procedures. The school records will detail the reason for the reimbursement and supporting invoices/receipts.

In certain **exceptional** cases, purchases may be made where no purchase order is required. These include:

1. Energy bills – Gas and Electric
2. Water rates
3. NNDR
4. Telephones
5. Petty cash distributions
6. Teaching Agency costs

Where urgent orders are required by telephone, the **Curriculum Head** for the relevant department and the **Headteacher** will approve them before being confirmed with an official purchase order. The non-order purchases should be monitored on a regular basis and the percentage of non-order purchases should be reported the Finance Committee at every meeting and to the Senior Leadership Team on a monthly basis.

## Where the value of a **Contract or Official Order** exceeds £1,000 but is less than £50,000 Quotations will be obtained. The number of Quotations obtained will depend on the value of the Contract/Official Order being entered into.

|  |  |
| --- | --- |
| Estimated value of Contract or Official Order | Minimum number of written Quotations required |
| Over £1,000 and under £10,000 | At least 1 |
| £10,000 - £50,000 | At least 3 |

Where quotations have been received, this should be attached to the manual requisition.

Members of staff are not allowed to place personal orders for goods via the School system.

**Deliveries / Receipt of Goods and Services**

Deliveries will be checked on receipt to both the delivery note and the copy order by the office staff. The copy order will be signed to show that the order has been received and is complete. Where discrepancies are noted, they will be filed separately and followed up by the **Bursar**. A record will be maintained of goods returned / credit notes. The **Bursar** will file delivery notes with the copy orders.

**Processing of Invoices**

All invoices received at the School will be passed promptly for processing to the **Bursar** who will stamp them and ensure that the following checks are carried out and evidenced on the invoice by the designated member of staff:

1. invoice is a valid VAT invoice.
2. invoice not previously authorised.
3. goods have been received / work completed.
4. quality, quantity and prices are correct.
5. discount taken.
6. budget provision available.

One of the **Assistant Headteachers** will then approve the invoice.

All invoices are to be paid through the School’s Local Bank Account. Once the cheque/BACS run report is prepared it should be provided to the approved signatories for authorisation, together with all supporting documentation.

The School will try to ensure that all invoices are paid within thirty days to avoid payment of penalty interest. Where an invoice is held back because of dispute/query, the reasons for the delay in payment, together with action taken, should be clearly annotated on the invoice.

### 8 BUILDINGS MAINTENANCE EXPENDITURE

The School will establish a Capital Programme and rolling maintenance plan that prioritises site development objectives and maintenance issues. The plan will link to the School Plan and will be monitored by:

1. Headteacher and the Bursar on a regular basis
2. Premises Committee ad Health and Safety Committee – every meeting
3. Full Governing Body - termly

The Council’s Contract Procurement Procedures (Standing Orders) for schools **must** always be adhered to. In particular All contracts over £50,000 will be put out to tender,

|  |  |
| --- | --- |
| Estimated value of Contract or Official Order | Minimum number of Tenders to be invited |
| Over £50,000 - £100,000 | 3 |
| Over £100,000 | 6 |

When undertaking buildings maintenance expenditure the school will complete the Luton Borough Council form “Application for initial notification of a self-help form”. This form and guidance notes can be obtained from David Cham (Schools Asset Planning Manager) tel: 548002.

Where the School wishes to enter a contract over £50,000 the School will undertake formal tendering, and adhere to the School’s policy, as laid down at **Appendix K** (see sample policy attached):

Where the School undertakes building projects, Self Help forms will be completed by the **Bursar** and submitted to the Authority. These forms are available from Fixed Assets Division in the Commercial and Transformation Services Department. This will enable the Authority to keep its asset management plan up to date, and alert the Authority to any Health and Safety issues that need to be addressed.

### 9 INCOME AND BANKING

### Charging

Governors will establish a charging policy for the School. Approval of this policy by the Governing Body will be minuted and the policy will be reviewed on an annual basis. A copy of the most recent charging policy is attached at **Appendix L.** A charging policy ensures that the School has a rational approach to setting charges for items such as school trips, music tuition and school uniform. In developing the policy governors decided on the level of profits (if any) desired and the suitability of charges in relation to other providers.

### Segregation of Duties

Duties for the administration of School Income are segregated as follows:

|  |  |
| --- | --- |
| **Controls over Income** | **Member of staff** |
| Identification and Invoicing. | **[insert]** |
| Receiving. | **[insert]** |
| Receipting. | **[insert]** |
| Manually Record | **[insert]** |
| Banking. | **[insert]** |
| Importing of online payments | **[insert]** |
| Input to SIMS. | **[insert]** |
| Reconciliation. | **[insert]** |
| Budget Monitoring. | **[insert]** |

### General

Most income is received at the School Office or via an online payment system. A small amount of income is collected within the classroom but this has to be sent into school in sealed named envelopes, this income will then be taken to the school office after morning registration. All income will be recorded either manually within an excel spreadsheet or within an online income recording package and is held securely in the School safe until it is banked.

**All** income collected must be banked intact and in a prompt manner (ideally monthly), using the official paying in book. For each bank paying in slip, a breakdown should be held of all cheques/cash received, including the debt to which the income relates. **Under no circumstances should staff retain cash collected and write a personal cheque to cover the income**. Monies must be clearly identifiable to enable the correct entries to be maintained on the School’s financial system.

Where income is collected via an online payment system, reports should be obtained regularly from the system to identify the payments made and these should be imported in to the School’s income recording system.

Income will be supported by sufficient documentation to ensure that it can be correctly identified and accounted for, including VAT.

In no circumstances should amounts due to Luton Borough Council be paid into unofficial/school voluntary funds.

The Governing Body is responsible for approving the write off of bad debts (unless otherwise stated in the scheme of delegation).

Income is monitored against budget on an ongoing basis. If for any reason expected income changes, for example, cancelled lettings contracts, the Headteacher must be notified to enable the budgetary impact to be taken into account.

### Lettings

The School’s Letting Policy is reviewed and approved by the Finance Committee in the **[insert]**. A copy of the lettings policy can be seen in **Appendix M.**.

The following members of staff deal with school lettings:

|  |  |
| --- | --- |
| **Function** | **Members of Staff** |
| General enquiries. | **[insert]** |
| Approval of letting. | **[insert]** |
| Calculation of charges. | **[insert]** |
| Invoicing. | **[insert]** |
| Receipting. | **[insert]** |
| Approval of site agent timesheets. | **[insert]** |
| Monitoring of receipt of lettings income. | **[insert]** |

All lettings must be entered in the lettings diary spreadsheet.

All hirers are required to complete a hirer’s application form agreeing to the terms and conditions of the let. The form will clearly show the times and dates of the let, the person responsible during the let and the facilities that will be required. Forms for ongoing hires will be renewed at least annually.

School hirers are required to produce **evidence of valid insurance** cover and this is recorded on the hirers application form. Where hirers do not have their own insurance the school must ensure that the hire is covered under the School’s insurance cover. The School’s policy on charging for insurance cover is included in the School’s lettings policy.

All private lettings are invoiced for **one month** in advance of the letting taking place.

### Chasing invoices and writing off bad debts

### The school uses a word-based package to produce its invoices. All invoices over two weeks are chased with reminder invoices. Debts are only written off in accordance with the Council’s regulations and the school keeps a record of all sums written off. Irrecoverable debts may only be written off in accordance with the following approvals:

|  |  |  |  |
| --- | --- | --- | --- |
| Amount to be | Authority | | |
| written off | Level 1 | Level 2 | Level 3 |
| Up to £5,000 | Bursar | Headteacher |  |
| Over £5,000 | Bursar | Headteacher | Full Governing Body/Finance Committee |

For example: the Bursar, Headteacher and the Full Governing Body should write off a debt of £5,000

All debts written off regardless of who has authorised them should be reported to the Finance Committee and the Full Governing Body for their information.

### 10 VOLUNTARY FUNDS

Voluntary funds often provide schools with a substantial additional source of income. Although such funds are not public money, the standards for the guardianship of these need to be as rigorous as those for the administration of the school’s delegated budget.

Schools will also need to ensure that any voluntary funds with income or expenditure over £5,000 are registered with the Charity Commission.

### Banking and Audit Arrangements

The **Bursar** will ensure that voluntary funds are accounted for separately from the School’s delegated budget and that they are held in a separate bank account. The School has established the following bank account with the **[insert]** bank for its voluntary funds:

**Account name** **Account Number**

**[insert]** **[insert]**

All school fund cheques must be signed by two of the following Governor approved signatories:

|  |  |  |
| --- | --- | --- |
| **NAME** | **POSITION** | **SIGNATURE** |
| **[insert]** | **[insert]** |  |
| **[insert]** | **[insert]** |  |
| **[insert]** | **[insert]** |  |

The Governing Body has appointed an independent and suitably qualified auditor to undertake an annual audit of the fund. This should be reviewed on a regular basis.

**Name:** **[insert]**  **Date of appointment:** **[insert]**

The auditor produces an annual audited financial statement. This is presented to Governors in the **autumn term**.

**Date of most recent audit statement:** **[insert]**

The annual audited statement will be made available to Parents.

### Administration of the Fund

School fund records are held on **[insert]** and it is maintained by:

**Name: [insert]** **Job title: [insert]**

The School will account for its voluntary funds with the same degree of care and control as it does its official budget.

In particular:

* School fund records will be kept up to date.
* Documentation will be retained to support both income and expenditure transactions.
* All expenditure from the fund must be approved by those staff authorised to do so by the Governing Body.
* Income will be held securely and banked promptly and intact.
* The accounting records and banking balance will be reconciled on a monthly basis.
* Controls over the administration of the school fund will be appropriately segregated.
* Official Authority monies must not be banked to school fund.
* Personal cheques **should not** be cashed from the fund.

Segregation of duties for the administration of the school fund is as follows:

|  |  |
| --- | --- |
| **Controls over School Fund** | **Members of Staff** |
| Maintenance of accounting records. | **[insert]** |
| Approval of expenditure. | **[insert]** |
| Cheque signatories. | **[insert]** |
| Banking. | **[insert]** |
| Reconciliation of account. | **[insert]** |
| Review of Account | **[insert]** |

### 11 SCHOOL ASSETS

### Inventory Records

The School have attractive and portable items of material and equipment ranging from library books to computers. These assets should be kept securely and should be recorded on the Schools inventory records. Overall responsibility for maintenance of the inventory records lies with the **Headteacher**. Day to day responsibility for inventory records has been delegated to the **Bursar**.

All sales, write offs, and obsolete inventory items, which need to be disposed of, must be approved by the **Full Governing Body**.

Proceeds from the sale of items donated to the School or purchased from official funds must be paid into the School’s official bank account.

On an annual basis, the Site Agent Staff will physically check assets of the School against the inventory register. A sample of items purchased during the year should also be checked against the register to ensure that registers are being appropriately updated.

The date and initials of the person performing the check will be recorded on the register to evidence that the check has taken place.

Where inventory records are maintained on computer, a hard copy of the inventory should be printed off and retained in a fireproof location.

The register will be updated in line with the verification results. Discrepancies over the value of £100 must be reported to the **Headteacher** and the **Governing Body**.

Where there is a major change of responsibilities or an inventory holder leaves, an additional inventory check should be carried out.

The school must ensure that equipment on loan to members of staff, e.g. laptops, are returned prior to their leaving the school.

### Security of Assets

The **Site Agent** is responsible for ensuring thataccess controls around the building and to the keys to school premises are adequate. A log will be maintained of all visitors to the School by the **Office Staff**. All staff are responsible for ensuring that valuable assets are locked away when not in use and at night. The **Bursar** is responsible for ensuring that assets are security marked.

### 12 PERSONNEL

The School will ensure that responsibilities for the day-to-day administration of personnel and payroll matters are carried out in accordance with the Governors’ terms of reference and the School’s Scheme of Delegation.

In particular, the approval/monitoring of:

* School pay/performance management policies.
* Staff appointments.
* Pay adjustments/contract amendments.
* Timesheets.
* Supply cover.
* Staff sickness.
* Overtime claims
* Staff special leave

Approval **must** be sought from the Governing Body regarding any planned advertisement for staff vacancies, whether these are for teaching or support staff vacancies.

**The Personnel and Curriculum Committee** and the **Finance Committee must approve all pay increases** before any formal notification is sent out to staff members. Where part-time staff request to increase their hours a review should be carried out to ensure that the hours are available within the staffing structure and approval for the increase should be sought from the **Finance Committee**.

Governors should receive a copy of the organisation chart and establishment listing on an annual basis, ideally alongside the budget setting information they receive with the draft budget.

The School will ensure that personnel and payroll information is held securely and in accordance with the Data Protection Act.

The School’s personnel records will be kept up to date. Signed contracts should be held on each staff members file alongside any subsequent variations to their contracts (including any re-grading they may receive).

**The school use the LA’s Exchequer Services as its payroll provider. Monthly reconciliations will be performed between the School’s records and those of the LA to ensure that salary payments are accurate and valid and any queries will be promptly followed up with the School’s payroll contact in Exchequer Services.**

### 13 INSURANCE

The school buy-back its insurance from Luton Borough Council. The following options have been purchased:

* Employees Liability
* Public and Products Liability
* Personal Accident and Business Travel
* Fidelity Guarantee Insurance

Insurance will be reviewed on an annual basis by **Governors** to ensure that all risks have been identified and that any new risks have been covered on the School’s insurance policy.

**APPENDIX A**

**GOVERNING BODY DECISION PLANNER**

|  |
| --- |
| **THIS PLANNER SHOWS TO WHICH LEVEL THE GOVERNING BODY MAY LEGALLY DELEGATE FUNCTIONS**  **KEY**  Level 1: Full governing body  Level 2: A committee of the governing body  Level 3: An individual governor  Level 4: Headteacher.  Column blank: Action could be undertaken by this level.  Column blocked off: Function cannot be legally carried out at this level.  **\*Although decisions may be delegated, the governing body as a whole remains responsible for any decision made under delegation\*** |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  |  | **Decision Level** | | | |
| **Key**  **Function** | **No** | **Tasks** | **1** | **2** | **3** | **4** |
| **Budgets** | 1 | To approve the first formal budget plan each financial year |  |  |  |  |
|  | 2 | To monitor monthly expenditure. |  |  |  |  |
|  | 3 | To establish a charging and remissions policy |  |  |  |  |
|  | 4 | Miscellaneous financial decisions |  |  |  |  |
|  | 5 | To enter into contracts (GB may wish to agree financial limits) |  |  |  |  |
|  | 6 | To make payments |  |  |  |  |
| **Staffing** | 7 | Headteacher appointments (selection panel) |  |  |  |  |
|  | 8 | Deputy appointments (selection panel) |  |  |  |  |
|  | 9 | Appoint other teachers |  |  |  |  |
|  | 10 | Appoint non teaching staff |  |  |  |  |
|  | 11 | Agree a pay policy |  |  |  |  |
|  | 12 | Pay discretions |  |  |  |  |
|  | 13 | Establishing disciplinary/capability procedures |  |  |  |  |
|  | 14 | Dismissal of headteacher |  |  |  |  |
|  | 15 | Dismissal of other staff |  |  |  |  |
|  | 16 | Suspending head |  |  |  |  |
|  | 17 | Suspending staff (except head) |  |  |  |  |
|  | 18 | Ending suspension (head) |  |  |  |  |
|  | 19 | Ending suspension (except head) |  |  |  |  |
|  | 20 | Determining staff complement |  |  |  |  |
|  | 21 | In voluntary and foundation schools to agree whether or not the Chief Education Officer/diocesan authority should have advisory rights |  |  |  |  |
|  | 22 | Determining dismissal payments/ early retirement |  |  |  |  |
| **Curriculum** | 23 | Ensure National Curriculum (NC) taught to all pupils and to consider any disapplication for pupil(s) |  |  |  |  |
|  | 24 | To establish a curriculum policy |  |  |  |  |
|  | 25 | To implement curriculum policy |  |  |  |  |
|  | 26 | To agree or reject and monitor curriculum policy |  |  |  |  |
|  | 27 | Responsible for standards of teaching |  |  |  |  |
|  | 28 | To decide which subject options should be taught having regard to resources, and implement provision for flexibility in the curriculum (including activities outside school day) |  |  |  |  |
|  | 29 | Responsibility for individual child’s education |  |  |  |  |
|  | 30 | Provision of sex education – to establish and keep up to date a written policy |  |  |  |  |
|  | 31 | To prohibit political indoctrination and ensuring the balanced treatment of political issues |  |  |  |  |
|  | 32 | To establish a charging and remissions policy for activities (non NC based) |  |  |  |  |
| **Performance Management** | 33 | To formulate a performance management policy |  |  |  |  |
|  | 34 | To establish a performance management policy |  |  |  |  |
|  | 35 | To implement the performance management policy |  |  |  |  |
|  | 36 | To review annually the performance management policy |  |  |  |  |
| **Target Setting** | 37 | To set and publish targets for pupil achievement |  |  |  |  |
| **Discipline/Exclusions** | 38 | To establish a discipline policy |  |  |  |  |
|  | 39 | To review the use of exclusion and to decide whether or not to confirm all permanent exclusions and fixed term exclusions where the pupil is either excluded for more than 15 days in total in a term or would lose the opportunity to sit a public examination. (Can be delegated to chair/vice-chair in cases of urgency) |  |  |  |  |
|  | 40 | To direct reinstatement of excluded pupils (Can be delegated to chair/vice-chair in cases of urgency) |  |  |  |  |
| **Admissions** | 41 | To consult annually before setting an admissions policy (but in community and controlled schools only where the LA has delegated this power to the governing body) |  |  |  |  |
|  | 42 | To consult annually before setting an admissions policy (VA and Foundation schools) |  |  |  |  |
|  | 43 | To establish an admissions policy (special schools where pupils do not have a statement) acting with LA |  |  |  |  |
|  | 44 | Admissions: application decisions (but in community and controlled schools only where the LA has delegated this power to the governing body) |  |  |  |  |
|  | 45 | Admissions: application decisions (VA, Foundation and special schools) |  |  |  |  |
|  | 46 | To appeal against LA directions to admit pupil(s) (Voluntary, Foundation and special schools; also community and VC schools where LA is the admissions authority) |  |  |  |  |
| **Religious Education** | 47 | Responsibility for ensuring provision of RE in line with school’s basic curriculum (all schools)  NB this must fall into line with locally agreed syllabus |  |  |  |  |
|  | 48 | Decision to revert to previous RE syllabus (Foundation Schools except VA of religious character) |  |  |  |  |
|  | 49 | Decision to provide RE according to trust deed/specified denomination in VA schools with religious character (Foundation and VC schools of religious character at request of parents |  |  |  |  |
|  | 50 | Decision to provide RE in line with locally agreed syllabus (VA schools – only if parents request it. All other schools not covered in 49 above) |  |  |  |  |
| **Collective Worship** | 51 | In all maintained schools to ensure that all pupils take part in a daily act of collective worship (after consulting GB) |  |  |  |  |
|  | 52 | To make application to the advisory councils, SACRE, concerning the requirements for collective worship (schools without a religious character) to disapply (after consulting GB) |  |  |  |  |
|  | 53 | Arrangements for collective worship (schools without religious character (after consulting GB) |  |  |  |  |
|  | 54 | Arrangements for collective worship in Foundation schools of religious character, VC or VA schools (after consulting head) |  |  |  |  |
| **Premises & Insurance** | 55 | Buildings insurance and personal liability– GB to seek advice from LA, diocese or trustees where appropriate (it is suggested that the GB as a whole should be involved in this decision) |  |  |  |  |
|  | 56 | Developing school buildings strategy or master plan and contributing as required to LA Asset Management Planning arrangements (it is suggested that the GB as a whole should undertake this decision) |  |  |  |  |
|  | 57 | Procuring and maintaining buildings, including developing properly funded maintenance plan |  |  |  |  |
| **Health & Safety** | 58 | To institute a health and safety policy (in community and VC schools this would be the LA) |  |  |  |  |
|  | 59 | To ensure that health and safety regulations are followed |  |  |  |  |
| **School Organisation** | 60 | To publish proposals to change category of school |  |  |  |  |
|  | 61 | Proposal to alter or discontinue voluntary foundation or foundation special school |  |  |  |  |
|  | 62 | To set the times of school sessions and the dates of school terms and holidays except in community and VC schools where it is the LA |  |  |  |  |
|  | 63 | To ensure that the school meets for 380 sessions in a school year |  |  |  |  |
|  | 64 | To ensure that school lunch nutritional standards are met where provided by the governing body. |  |  |  |  |
| **Information For Parents** | 65 | To prepare and publish the school prospectus |  |  |  |  |
|  | 66 | To prepare and publish the school profile |  |  |  |  |
|  | 67 | To ensure provision of free school meals to those pupils meeting the criteria |  |  |  |  |
|  | 68 | Adoption and review of home-school agreements |  |  |  |  |
| **GB Procedures** | 69 | To draw up instrument of government and any amendments thereafter |  |  |  |  |
|  | 70 | To appoint (and remove) the chair and vice-chair of a permanent or a temporary governing body |  |  |  |  |
|  | 71 | To appoint and dismiss the clerk to the governors |  |  |  |  |
|  | 72 | To hold a full governing body meeting at least three times in a school year or a meeting of the temporary governing body as often may require |  |  |  |  |
|  | 73 | To appoint and remove community or sponsor governors. |  |  |  |  |
|  | 74 | To set up a Register of Governors’ Business Interests |  |  |  |  |
|  | 75 | To approve and set up a Governors Expenses Scheme |  |  |  |  |
|  | 76 | To discharge duties in respect of pupils with special needs by appointing a “responsible person” in community, voluntary and Foundation Schools |  |  |  |  |
|  | 77 | To consider whether or not to exercise delegation of functions to individuals or committees |  |  |  |  |
|  | 78 | To regulate the GB procedures (where not set out in law) |  |  |  |  |
| **Federations** | 79 | To consider forming a federation or joining an existing federation |  |  |  |  |
|  | 80 | To consider requests from other schools to join the federation |  |  |  |  |
|  | 81 | To leave a federation |  |  |  |  |
| **Extended Schools** | 82\* | To decide to offer additional activities and to what form these should take |  |  |  |  |
|  | 83 | To put into place the additional services provided |  |  |  |  |
|  | 84 | To ensure delivery of services provided |  |  |  |  |
|  | 85\* | To cease providing extended school provision |  |  |  |  |

\*Although these tasks are open to delegation under the Education (School Government)(Terms of Reference) (England) Regulations 2000, the expectation would be that these decisions would be undertaken by the full Governing Body.

**APPENDIX B**

**TERMS OF REFERENCE FOR ALL GOVERNING BODY COMMITTEES**

**[INSERT COMMITTEE TERMS OF REFERENCE**

**Please note that terms of reference should clearly state how many Governors are required to be at meeting in order for them to be quorate.**

**APPENDIX C**

### Suggestions for Governors’ Annual timetable

|  |  |  |
| --- | --- | --- |
| **Summer Action Points** | **Autumn Action Points** | **Spring Action Points** |
| * Review budget monitoring, virements and year end forecast at Quarter 1 * Review progress on School Plan, School Asset Plan and Capital Plan * Authorise expenditure as per scheme of delegation * Approve and submit budget * 3 Year Financial Plan approved and submitted * Review end of year figures * Planned use of unspent balances agreed and submitted to LA * Review procurement arrangements to ensure value for money * Review pay of teachers * Review Governors Allowance policies * Review committee membership and structure | * Review budget monitoring, virements and year end forecast at Quarter 2 * Review progress on School Plan, School Asset Plan and Capital Plan * Authorise expenditure as per scheme of delegation * Review school charging and remissions policy * Update and approve School Development Plan * Update Register of Interests * Review changes to and approve/adopt Financial Regulations * Approve Financial procedures * Review Benchmarking reports * Review Performance Management Policy * Review Head Teacher Performance * Review Whistle blowing policy * Complete/review self assessment of financial management skill for governors and staff * Review Business Continuity plan | * Review budget monitoring, virements and year end forecast at Quarter 3 * Review progress on School Plan, School Asset Plan and Capital plan * Authorise expenditure as per scheme of delegation * Draft provisional budget * Review Staffing structure * Pay review for non teaching staff * Ensure School Fund Audit completed * Ensure review of financial controls initiated * Review Service Level Agreements/Contracts (for inclusion in budget) * Update and approve Statement of roles and responsibilities/ scheme of delegation and financial terms of reference * Review Pay policy * Discuss and complete SFVS template (FGB to review and chair of governors to sign off, submit to LA by 31st March) |

**APPENDIX D**

**Pro Forma Declaration of Interests Form**

Insert full I, ……………………………………………………………………………

Names a **Governor/member** of staff of ………………….………………School give notice to the Governing Body and the Director of Children and Learning that I ***have/have not*** **(please indicate as appropriate)** direct or indirect pecuniary interests that I am obliged to declare.

If you have any direct or indirect pecuniary interest please detail below.

If you have any relationship with a member of staff/governing body which may result in a conflict of interest please detail below:

If you are a Governor at another educational establishment please detail below:

I recognise that I have a duty as a **Governor/member of staff** of the School to:

1. Provide all information that ought to be given in this notice.

2. Ensure the information given is not materially false or misleading.

3. Ensure that I give further notices in order to:

* Bring up to date the information given in this notice.
* Declare an interest that I acquire after the date of this notice and have to declare.

Signed: …………………………………. Date: ……………………

*It is important for anyone involved in spending public money to demonstrate that they do not benefit personally from decisions that they make. For example Governors and staff should declare any links they have with local firms from which the School may wish to buy goods or service*

***This form should be included in the Register of Business Interest for Governors and staff that should be open to public inspection and published on a publicly accessible website.***

**APPENDIX E**

### Sample Scheme of Delegation to the Headteacher

1. The Headteacher will have delegated power to undertake all functions delegated to the Governing Body under the School Standards and Framework Act, 1998 and the LMS Scheme for Financing for Schools except that:
2. The Headteacher will comply with all policy directions given to her/him from time to time by the Governing Body.
3. The Headteacher will not enter into any financial commitment in excess of £10,000, without the consent of the Governing Body or in the case of an urgent matter, the Chair of Governors, without the consent of the Governing Body or in the case of an urgent matter, the Chair of Governors.
4. The above delegation will not apply in respect of the appointment of staff. It will be for the Governing Body to determine from time to time the extent of the power of the Headteacher to deal with staffing matters.
5. The Headteacher will not vire from one budget heading to another any sum exceeding £10,000, without the consent of the Governing Body or in the case of an urgent matter, the Chair of Governors.
6. The Headteacher will submit to the Governing Body at least once each term, and on further occasions at the request of the Governing Body, a report including a current income and expenditure statement which also shows any commitments entered into; this report will include a comparison of these latest figures with the school budget for the year, accompanied by a written narrative which highlights key variances.
7. Any proposal to incur expenditure on new or significantly different policies will be the subject of a report by the Headteacher to the Governing Body; this report will include details of costs in both the current and future years.
8. The Headteacher will have the power to nominate the Deputy Headteacher or another named (senior) member to staff to exercise the powers of this delegation during any periods of absence.
9. The Headteacher and any other person nominated under Regulation 8 above will ensure that at all times the Financial Regulations, Standing Orders and Procurement Procedures relating to schools are complied with.

**APPENDIX F**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Register of gifts and hopitality | | | | | **[insert school logo]** | | |
| **DATE** | **Name(s) of Recipient** | **Nature of Gift / Hospitality** | **Person/ Organisation making the offer** | **Purpose of Gift / hospitality** | **Was it accepted?** | **How was gift / hospitality used** | **Reviewed by and date reviewed** |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |

**APPENDIX G**

|  |
| --- |
| **XXXXXXX SCHOOL**  **FRAUD POLICY** |

**[INSERT SCHOOL POLICY]**

**APPENDIX H**

|  |  |
| --- | --- |
| **[insert school logo]** | [insert School name] |
| PETTY CASH REQUEST FORM |
| I would like to buy …………………………….……………………………………………..  for the purpose of ………………………………………………………………………..…  ………………………………………………………………………………………………..  this will cost approximately ……………………………………………………………..…  **Signed:** ……………...…………………………………….. **Name:** …………………….  **Authorised:** ………………………………… **Headteacher** **Date:** …………………….. | |
| Once the goods have been purchased please return the receipt to the bursar. | |
| Please refund the above named person £……………….. (receipt attached) for goods  as described above.  **Countersigned:** ………………………………………………… **Assistant Headteacher**  **Authorised for payment** …………………………………………………… **Headteacher**  **Date:** ……………………………..  I confirm receipt of the above amount.  **Signed:** ………………………………………………….. **Date:** …………………………. | |
|  | |

|  |
| --- |
| For office use only:-  Ledger Code ………………………………………………………………………….  VAT Amount ……………………………………….. Total Paid …………………..  Receipt number ……………………………………………………………………… |

**APPENDIX I**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **[insert school logo** | | **[insert school name]** | | | | | | | |
| **PURCHASE CARD LOG** | | | | | | | |
| **Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**  **Department: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**  **Period covered: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** | | | | | | | | | |
| **REF NO.** | **ORDER DATE** | **SUPPLIER NAME** | **DESCRIPTION OF GOODS** | **SUPPLIER REFERENCE** | **DATE REC’D** | **NET INVOICE AMOUNT** | **VAT RATE** | **VAT AMOUNT** | **GROSS INVOICE AMOUNT** |
| **1** |  |  |  |  |  |  |  |  |  |
| **2** |  |  |  |  |  |  |  |  |  |
| **3** |  |  |  |  |  |  |  |  |  |
| **4** |  |  |  |  |  |  |  |  |  |
| **5** |  |  |  |  |  |  |  |  |  |
| **6** |  |  |  |  |  |  |  |  |  |
| **7** |  |  |  |  |  |  |  |  |  |
| **8** |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  | **TOTAL** | **£** |  | **£** | **£** |
| **Authorising signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**  **Supporting documentation reviewed by: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**  **Date reviewed: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** | | | | | | | | | |

**APPENDIX J**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **[insert school logo** | | **insert school name]** | | | | | | |
| **REQUISITION FORM** | | | | | | |
| DATE | SUPPLIER | CAT NO | DESCRIPTION | AMNT | UNIT COST | TOTAL COST | BUDGET AREA | FUNDS AVAILABLE |
|  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |

Requisitioned by ……………………………………………………………... Signed ……………………………………………….

Agreed by Budget Holder……………………………………………………………... Signed ……………………………………………….

Authorised by Headteacher ……………………………………………………………... Signed ……………………………………………….

### APPENDIX K

### Tendering Policy

#### Introduction

This document will be issued to any staff involved in the purchasing process. In addition, extracts from the following documents give further guidance on tendering procedures:

* Scheme for Financing of Schools.
* Financial Regulations for Schools.
* Contract Procurement Procedures.

The arrangements in this document relate to both capital and revenue expenditure from official school funds.

For any goods or services below the value of £60,000 in one year a local authority officer countersignature is not necessary.

All purchases with a value greater than £50,000 must be put out to formal tender. The following procedures will be followed in such circumstances:

Where the value of the project is between £50,000 and up to £100,000 a minimum of 3 tenders will be invited. For projects over £100,000 in value a minimum of 6 tenders will be invited.

For projects over £100,000 in value the advice of the Corporate Procurement Manager will be sought.

A detailed specification will be prepared by the LA’s Fixed Assets Division, and authorised by the Chair of Governors and Headteacher.

**Invitations to Submit Tenders**

The invitations to tender will include:

1. An introduction/background to the project;
2. The scope and objectives of the project;
3. Any technical requirements;
4. Implementation details for the project;
5. The terms and conditions of the tender;
6. The form and closing date for any response to the School;
7. The pricing schedule;
8. A plain stamped addressed envelope addressed to the Headteacher for suppliers use in submitting tenders.

All replies will be kept sealed by the LA and stored in the safe until the agreed date.

All tenders will be opened at the same time by the LA and details of the contractor, quotation and any other details recorded at the time of opening.

No contractor will be allowed to amend the tender after the time fixed for receipt.

The Bursar will open a separate correspondence file for each tender, which will contain copies of all correspondence or other relevant information.

For purchases up to £50,000, provided the expenditure is included within the budget, the decision as to which tender to accept will be taken by the Finance Committee.

For purchases exceeding £50,000, provided the expenditure has been budgeted for, a decision will be recommended by the Finance Committee. The full Governing Body will take the final decision.

Where expenditure is not included in the budget, or anticipated expenditure exceeds the budget allocation, the decision as to which tender to accept must be taken by the full Governing Body.

Tenders should be evaluated against set criteria and the evaluation should be fully documented with documents retained. The following points will be considered when deciding which tender to accept:

* the overall price and the individual items or services which make up that price;
* whether there are any ‘hidden’ costs, that is additional costs which the School will have to incur to obtain a satisfactory product;
* whether there is scope for negotiation;
* the qualifications and experience of the supplier;
* how well the technical requirements laid down by the School will be met;
* the supplier’s own quality control procedure; pre sales demonstrations and after sales service;
* the financial status of the supplier; and
* references from other Schools.

The reasons for accepting a particular tender must be documented by the Headteacher and reported to the full Governing Body, especially when a tender other than the lowest is accepted.

Once a tender is accepted all companies will be informed of the outcome and an order will be issued immediately to the supplier in the normal way.

The LA and Site Agent will be responsible for monitoring the completion of works in accordance with the contract. No payments will be made without their prior approval and they will certify the invoice to confirm that works have been completed satisfactorily.

The School will ensure that contract documentation clearly states the Schools policy with respect to retention fees.

Advice on tendering procedures can be obtained from the Fixed Assets Division in the Commercial and Transformation Services Department.

**APPENDIX L**

|  |  |
| --- | --- |
| **[INSERT SCHOOL LOGO]** | **[INSERT SCHOOL NAME]**  **CHARGING AND REMISSIONS POLICY** |

**[INSERT SCHOOL POLICY]**

**APPENDIX M**

|  |
| --- |
| **XXXXXXX SCHOOL**  **LETTINGS POLICY** |

**[INSERT SCHOOL POLICY]**

**[INSERT SCHOOL NAME]**

**HIRER APPLICATION FORM**

**[INSERT SCHOOL FORM]**

**APPENDIX N**

|  |  |  |
| --- | --- | --- |
| **Useful Documents** | | **Available From** |
|  | |  |
| Scheme for Financing of Schools | | [**http://www.learning.luton.gov.uk/**](http://www.learning.luton.gov.uk/) |
| Financial Regulations for Schools | | [**http://www.learning.luton.gov.uk/**](http://www.learning.luton.gov.uk/) |
| Contract Procurement Procedures for Schools | | [**http://www.learning.luton.gov.uk/**](http://www.learning.luton.gov.uk/) |
| Local Bank Account Scheme | | [**http://www.learning.luton.gov.uk/**](http://www.learning.luton.gov.uk/) |
| Policy for Surplus Balances | | [**http://www.learning.luton.gov.uk/**](http://www.learning.luton.gov.uk/) |
| Leasing Guidance Notes | | [**http://www.learning.luton.gov.uk/**](http://www.learning.luton.gov.uk/) |
| LBC School Lettings Policy | | [**http://www.learning.luton.gov.uk/**](http://www.learning.luton.gov.uk/) |
| Insurance Guidance Notes for Schools | | Audit, Fraud and Insurance Team |
| VAT Guidelines | | [**http://www.learning.luton.gov.uk/**](http://www.learning.luton.gov.uk/) |
| School Financial Value Statement (SFVS) Guidance Manual | | [**http://www.learning.luton.gov.uk/**](http://www.learning.luton.gov.uk/) |
| SFVS Assessment Template | | https://www.gov.uk/guidance/schools-financial-value-standard-and-assurance-sfvs |
| Fraud Policy Template | | [**http://www.learning.luton.gov.uk/**](http://www.learning.luton.gov.uk/) |
| Business Continuity Plan Template | | [**http://www.learning.luton.gov.uk/**](http://www.learning.luton.gov.uk/) |
| Self Help Application Form | | Fixed Assets Division |
| School Travel Guidelines  School Guidance on Property Claims  School Guidance on Liability Claims  School Property Claims | | Audit, Fraud and Insurance Team |
| Non Curriculum Resources | | [**http://www.learning.luton.gov.uk/**](http://www.learning.luton.gov.uk/) |
| Governor Training Courses | **http://www.schoolsupport.luton.gov.uk/TrainingAndEvents** |
| Financial Benchmarking Website | **https://www.education.gov.uk/sfb/login.aspx** |
| Efficiency and Savings guide | | [**http://www.learning.luton.gov.uk/**](http://www.learning.luton.gov.uk/) |
| Code of Conduct for Employees - Schools | | [**http://www.learning.luton.gov.uk/**](http://www.learning.luton.gov.uk/) |
| Keeping Your Balance | | [**http://www.learning.luton.gov.uk/**](http://www.learning.luton.gov.uk/) |
| Getting the Best From Your Budget | | [**http://www.learning.luton.gov.uk/**](http://www.learning.luton.gov.uk/) |