Approval date: June 2025
Review date: June 2026

Mylor Bridge Community Primary

DfE Number - 908/2116

Financial Regulations and Scheme of Delegation

(from Governing Body to Senior Management)

Approved by the Full Governing Body as follows;	
FGB Meeting Date:	**09/06/25**
Signed by;	
Chair of Governors (Name)	**Signature**
Chair of Finance Committee (Name)	**Signature**
Headteacher (Name)	**Signature**

Approval date: June 2025
Review date: June 2026

Guidance on Completing/Updating your schools Scheme of Delegation

To assist you in completing your Scheme of Delegation, figures marked £XXXXXXX require a figure inserted and those marked _____ need a person's name or designation/position in school included.

Part A

This is the standard Scheme of Delegation and outlines the areas of responsibility within the schools finances.

Part B

This section outlines your financial limits for each area of expenditure and income. It requires you to set the limits for maximum expenditure, i.e., orders and cheque payments, and the amount of signatures needed for each transaction.

There are areas to complete in this section

Part C

This section sets the standards required for financial management and the financial processing within the school. It also documents the links that your schools financial documents in school have with others, such as your school development plan.

Part D

Part D contains procedural notes including the organisation of responsibilities and accountability. Included within it are guidelines for budget setting, financial procedures and debt recovery, together with appendices including a record retention table and pecuniary interest registers. Please note that all financial records must be retained for a period of 6 years plus the current accounting year.

There are areas to complete in this section

Approval date: June 2025
Review date: June 2026

CONTENTS

Part A - Scheme of Delegation

Part B – Schools Schedule of Financial Limits

Part C - Standards for Financial Management & Administration

Part D – Procedure Notes for;

1. Organisation of Responsibility & Accountability
2. Budgets
3. Ordering Goods & Services
4. Receipt of Goods & Services
5. Processing invoices for Payment
6. Cheque production
7. Petty Cash
8. Income
9. Banking Arrangements including Reconciliation of Bank Records
10. Personnel Records & Payroll Reconciliation
11. Insurance
12. Computer Systems
13. Security of Stocks & Other Property
14. School Voluntary & Private Funds
15. School Reserves
16. Removal & Interview Expenses
17. Debt Recovery Procedure (including recommended documentation)

Appendix 1 Non-Financial Records – Retention of Documents

Appendix 2 Declaration of Pecuniary Interests

Approval date: June 2025
Review date: June 2026

Approval date: June 2025
Review date: June 2026

PART A

Scheme of Delegation

General

1. The scheme of delegation shall be operated within the Standards for Financial Management & Administration (see Part C) the Financial Regulations for Schools and Schemes for Financing Schools in conjunction with Governing Body Constitution and Terms of Reference.

2. The Headteacher does not have authority to deal with financial matters otherwise than in accordance with the Scheme of Delegation. Also the Headteacher does not have authority to take any action which would contravene, or be likely to cause governors to contravene, the Financial Regulations for Schools, Schemes for Financing Schools and the Standards for Financial Management & Administration.

3. The Headteacher may delegate to his Deputy the authority for the Deputy to make appropriate financial decisions in his absence but only within the limits allowed for the Headteacher.

4. The Headteacher shall seek the advice of the governors if he has any doubt about the respective responsibility and authority of either party in relation to this scheme of delegation and/or financial administration or management.

5. Where action is urgently required in circumstances when the Headteacher, or the Deputy in the absence of the Headteacher, does not have delegated responsibility to act, then the Headteacher or his Deputy must obtain specific authorisation from the Chair of Governors and Chair of Finance (See Part B - Schedule of Financial Limits). Each such authorisation must be reported to the next meeting of the Finance committee.

6. The Headteacher shall have authority to expend resources from within the budget duly approved by the governors provided that such expenditure does not:

    - involve a change in or extension to the governors' existing policies
    - involve a net increase in expenditure in future years
    - conflict with any limits/controls over income and expenditure specified by the governors
    - involve a commitment which cannot reasonably be expected to be sustained from future budgets

Economy, Efficiency & Effectiveness/Value for Money

7. The Headteacher shall have due regard for the achievement of economy, efficiencies and value for money (VFM) in the operation of financial management and administration and shall ensure that the need for this is suitably notified to all staff.

Budgets

8. The Headteacher shall submit for determination by the Finance Committee a draft budget in accordance with the policies and timetable approved by the Full Governing Body.

9. The draft budget shall be in a form which will both meet the information requirements of the governors and enable the information to be easily passed to the Local Authority.

Forward Planning

10. To assist governors to plan reasonably for medium-term developments the Headteacher shall submit with the draft budget for the consideration of governors a report detailing the broad financial implications of foreseeable developments for the two years following the year for which the draft budget has been prepared; this report is to be linked to the School Development Plan.

Virement

11. The Headteacher may authorise the virement of funds within the approved budget provided that:

- each virement is within the limits specified by the governing body
- the virement is for a purpose which is consistent with the governors' policies
- the virement shall be reported to the Finance Committee through the Budget Monitoring Report forwarded to the Finance Committee each month

12. The Headteacher shall not utilise any portion of any credit balances brought forward from one financial year to another or of any contingency provision within the budget without:

- the prior authorisation of the Finance committee and then reported back to the next Full Governors Meeting
- in circumstances of urgency, the approval of the Chair of Governors and Chair
- of Finance and that such approval is reported back to the next Finance Committee and Full Governors Meeting

Budget Monitoring & Reporting

13. The Headteacher with the support of a Management Accountant shall reconcile, monitor and report to the Finance Committee the progress of expenditure and income in relation to the approved school budget. The Finance committee shall meet at least once per term (Under the Finance Committee's Terms of Reference there must be at least four members of the committee present in order to form a quorum). The most recent monthly financial monitoring statement together with the minutes of the Finance committee meetings shall also be presented to all the governors at the termly governors' meeting. The Headteacher will ensure that all Finance Committee members are provided with an up to date budget report each month, either by paper copy or email.

14. The Headteacher with the assistance of the Management Accountant shall provide the governors with such explanations as they may require in connection with expenditure from the delegated budget.

15. The Headteacher shall inform the Chair of Governors and Chair of Finance immediately if it becomes apparent that the delegated budget is likely to incur a deficit at the end of the financial year.

16. The Headteacher shall make appropriate arrangements for any likely overspending against the delegated budget to be treated as a first charge when the governors consider the following year's delegated budget.

17. The Headteacher, on behalf of the Governors, shall be entitled to carry forward any portion of their delegated budget unexpended at the end of a financial year for use in the following financial year subject to compliance with the approved accounting procedures and the School Balances Policy - see A Financial Management Scheme for Schools.

Commitments – Legality of

18. The Headteacher shall have proper regard to the legality of commitments entered into in the exercise of the delegated authority and if there is any doubt about legality the Headteacher shall consult with the Section 151 Officer.

Capital Expenditure

19. The Headteacher may place before Governors proposals for expenditure which is deemed to be capital expenditure by virtue of central government controls on capital expenditure by local authorities but no proposal may proceed except in accordance with the Financial Regulations as specified in ‘A Financial Management Scheme for Schools’

Capital Receipts

20. The Headteacher may place before governor's proposals for the sale or other disposal of capital items, but no proposal may proceed except in accordance with the Financial Regulations as specified in 'A Financial Management Scheme for Schools'

Borrowing

21. The Headteacher is only permitted to enter into routine trade credit. Schools are precluded from borrowing or entering into any form of credit or HP agreements unless prior approval has been obtained from the Secretary of State. Advice can be obtained from Cornwall Council's Head of Finance; refer also to the Financial Regulations as specified in 'Schemes for Financing Schools'.

Training

22. The Headteacher shall make adequate arrangements for the training of staff involved in financial management and administration. Training may be organised through the Local Financial Services Team.

Banking

23. The Headteacher shall, on behalf of the governors, operate the schools bank accounts in which official monies are held, in accordance with agreed arrangements with the Section 151 Officer.

Financial Information

24. The Headteacher shall arrange for the production of information relating to the delegated budget which the governors are required to supply to the Local Authority.

Payments

25. The Headteacher has authority, subject to the provisions of this scheme of delegation, to make payments on behalf of the governors from the delegated budget. In the exercise of this authority the Headteacher shall ensure that arrangements for the making of payments comply with the schedule of financial limits (see Part B). LA Schools are not permitted to hold credit cards but are allowed to hold payment cards.

Contracts

26. The Headteacher shall make suitable arrangements to ensure compliance with any code of practice for the letting of contracts adopted by the governors and with Cornwall Council's Contract Procedure Rules.

Petty Cash

27. The Headteacher shall make arrangements for any advance of petty cash to be operated in accordance with regulations specified by the Section 151 Officer, the Schedule of Financial Limits (see Part B) and the Standards for Financial Management & Administration (see Part C).

Income

28. The Headteacher shall annually prepare for consideration by the finance committee proposals for revising the charges which may be levied in connection with letting all or part of the school premises.

29. The Headteacher shall have authority to administer the school's income subject to the provisions of this scheme of delegation and Schedule of Financial Limits (see Part B).

Taxation & Other Statutory Adjustments

30. The Headteacher, with the assistance of the Management Accountant, shall ensure that the school's financial system produces adequate information to account properly for taxation and other statutory adjustments and that the requirements of the appropriate Government departments or agencies are satisfied in a timely fashion.

Internal Audit

31. The Headteacher shall make appropriate arrangements to facilitate the internal audit of the school and shall, on behalf of the governors, ensure that audit reports are dealt with promptly. The audit report should initially be seen by the Chair of Governors and the Finance Committee. The report should then be submitted for discussion at the next termly full governors meeting. This will enable all governors to be informed of the current position and allow open discussion of any appropriate action plans.

Irregularities

32. The Headteacher shall, on behalf of governors, ensure that if a matter arises which may involve financial irregularity in any form, the Chair of Governors, Chair of Finance and Section 151 Officer shall be notified immediately. The governors should be informed as soon as

practical of any irregularities and in due course decide on the necessary action, subject to professional advice from the Section 151 Officer, to rectify any findings.

Investments

33. The Headteacher does not have authority to invest any official funds except in the proper use of the schools bank account.

Register of Business and Pecuniary Interest

34. On behalf of the governors the Headteacher shall maintain a register of business and pecuniary interest relating to both staff and governors. This register should be available for review for all governors/staff involved in financial decisions. It should be updated annually and reviewed at each Full Governing Body Meeting.

Other Financial Matters

35. The Headteacher shall be accountable to the governors for ensuring the satisfactory management and administration of the school's financial affairs for the purposes of the following financial regulations:

- Arrangements for Financial Administration
- Financial Systems
- Documentation of Systems & Procedures
- Insurances
- Assets
- Use of School Premises
- Other School Funds
- School Charges Policy

Precise details of these regulations can be read in Part C - Standards for Financial Management & Administration.

Financial Standards in Schools

36. The Headteacher shall be responsible to the governors for ensuring the DfE required standards of financial management are attained and adhered to at all times.

Staff

37. The Headteacher, where authorised by the Governors, shall have authority to:

- Appoint staff

- Determine the pay and conditions of staff
- Vary staff pay and conditions
- Admit staff to payroll records
- Certify payments to staff and variations in payments to staff

Approval date: June 2025
Review date: June 2026

PART B

Schedule of Financial Limits

NB: A copy of the Schedule of Financial Limits should be held by all school staff and Governors involved in the school finances

1. Authorisation of Orders

- The Headteacher/Deputy Headteacher/Business Manager, or other senior member of staff as approved by the governors, may authorise orders up to a maximum of £ 5000 per single item subject to authorities detailed in Procurement Arrangements and Contract Renewals below.
- Any single item of an urgent nature over £5000 must be approved by the Chair of Governors and Chair of Finance.
- Non urgent orders exceeding £ 5000 and urgent orders in excess of £5000 must be approved by the Finance committee.
- Details of urgent orders authorised by the Chair of Governors and the Chair of Finance must be reported back to the next meeting of the Finance committee.

2. Procurement arrangements and Contract Renewals

The Headteacher/Deputy Headteacher/Business Manager, or other senior member of staff as approved by the governors, may authorise procurements/contracts and contract renewals within the following limits subject to the requirement that details must be reported back to the next meeting of the Governing Body or Finance Committee:

*For contracts under £25,000, Governors may wish to apply their own suitable limits which reflect business requirements and experience of staff subject to the **maximum limits** detailed below:*

- If the expenditure is less than £1,000 then only one verbal quotation is required if sufficient to show value for money
- If the expenditure is over £1,000 but less than £25,000 for goods, works or services three quotations are required but there is no need for formal advertising
- If the expenditure is over £25,000 for goods, works or services but less than the current OJEU threshold* then either a Request for Quotation or formal tendering should be performed. This should be advertised on Contracts Finder
- If the expenditure is over the current OJEU threshold* the contract must be tendered in accordance with the Public Contracts Regulations

Commercial Services can be contacted for support and advice for expenditure over £50,000. commercialservices@cornwall.gov.uk

*OJEU thresholds increase every 2 years and as at 1 January 2020 are:

- **Goods and Services: £189,330**
- **Works: £4,733,252**

Full details are at B4.85 to B4.100 of the LA's Financial Regulations and procedures, the "Contract Procedure Rules"

3. Cheque & BACS Signatory Limits

Extracted from National Westminster Bank Contract

Cheque & BACS Value	No of Signatures
Up to £1,000 (Secondary plus Primary over 400 pupils in size)	1
Up to £500 (All Special, Primary up to 400 pupils in size)	1
£1,001 to £20,000 (Secondary)	2
£1001 to £5,000 (Primary over 400 pupils in size)	2
£501 to £5,000 (All Special, Primary up to 400 pupils in size)	2
Above £20,000 (Secondary)	3*
Above £5,000 (All Special, Primary up to 400 pupils in size)	3*

BACS

BACS Payments prints will need to be signed in accordance to the above, *(one signature on the detailed print from the finance system in line with the signatories required for the single largest payment on the BACS run)*

* Inc one governor

List of authorised signatories;

- Headteacher
- Deputy Headteacher / Senior Teacher (as approved by Governors)
- Business Manager/Bursar (as approved by Governors)
- Chair of Governors
- Vice-Chair of Governors

4. Cheque Stationery

- Cheques are to be securely stored in a locked receptacle
- Cheque signatories are not to have access to blank cheque stationery
- The secretary is responsible for maintaining the stock of cheques

5. Bank Debit Cards

- All Debit Cards are to be securely stored
- VAT Receipts for all purchases must be retained and passed to the secretary/finance officer/business manager for processing
- All purchases should have the appropriate level of authorisation as Item 1: Authorisation of Orders (above)
- The secretary/finance officer/business manager is responsible for reconciling the relevant card statement, receipts and bank reconciliation frequently, ensuring records are accurate and investigating if necessary

List of authorised Card Holders;

- Headteacher
- Deputy Headteacher / Senior Teacher (as approved by Governors)
- School Secretary (as approved by Governors)
- Business Manager/Bursar (as approved by Governors)
- Chair of Governors (as approved by Governors)
- Vice-Chair of Governors (as approved by Governors)

6. Petty Cash Limits

Cheques for petty cash may be drawn from the schools local bank account up to a maximum of £250 (Primary) or £500 (Secondary).

The maximum petty cash float held at any moment in time should not exceed £ 50

7. Budget Virement

- The Finance Committee has delegated responsibility to vire funds between budget headings, including the contingency fund, up to a maximum of £ 5000. However, should the purpose of the virement be necessary to allow the purchase of a single item in excess of £ 5000, or the virement required is in excess of £ 5000 permission can only be granted by a meeting of the Full Governing Body.

8. Official Funds held as Cash

- The school may hold up to £3,000 cash and £40,000 in cheques within a safe which is secured to the floor or wall, **in order to satisfy the Council's insurance arrangements.**
- Up to £1,000 in cash may be kept in a locked secure receptacle. (Limit on cheques as above).
- Cash in transit may not exceed £3,000.
- Cash taken home for "safekeeping" may not exceed £300.
- The insurance restrictions above relate to any cash/cheques that the school is responsible for.
- The cheques limit applies in all cases.

9. Capital Expenditure limits

- Capital items above the value of £10,000 need to be identified in the local authority accounts as being of a capital nature. Such purchases need to be notified to the Council in order that the correct accounting entries may be made.

10. Asset & Bad Debt Write Off

- The Headteacher has authority to write off any single asset/bad debt up to a maximum value of £ 500
- Items in excess of £ 500 may only be written off with the authority of the Finance Committee.

PART C

Standards for Financial Management & Administration

General

1. Authority to deal with financial management and administration should be clearly defined and effectively communicated to those who are directly involved with them.

2. Arrangements for financial management and administration should ensure that they are fully integrated into the overall management framework of the school.

3. All systems of financial management and administration should, so far as is reasonably possible, incorporate adequate controls designed to promote the orderly, secure and efficient processing of financial activities. In particular systems should, where possible, incorporate the principle of "internal check" or separation of duties; this means that duties should be structured in such a way that the work of one person automatically acts as a check on the work of another.

   (An example of internal check is where one employee maintains records of debtors' invoices but money received in respect of the invoices is receipted and banked by another employee - by separating the duties the risk of manipulation of records and money is reduced.)

4. Arrangements for the management and administration of a school's finances should ensure that adequate provision is made to maintain a satisfactory level of cover for the absence of key staff.

5. Arrangements should be made for the school to achieve and maintain the DfE required standard of financial management. Information for this can be found on our Schools area of the Cornwall Council website under: Education& Learning / Schools and Colleges / Schools Finances.

Preparation of Budgets

6. Budgets should be prepared;

   - in accordance with the requirements of achieving efficiencies and value for money
   - to reflect the priorities within the School Development Plan
   - in accordance with the provisions of the Council's Financial Management Scheme
   - within the limit of the approved overall budget share
   - in accordance with properly approved and clearly stated plans and policies for the school's activities
   - liked to the needs identified in the School Development Plan

- in a format which will meet managerial needs and be readily intelligible to users
- in accordance with sound accounting principles; these imply that financial estimates should;
    - be based on the most up-to-date and reliable information available
    - include provision for all approved activities
    - include provision for contingencies
    - be arithmetically correct
    - be consistent with recognised accounting practice
    - meet requisite time limits

(i) in such a way as to facilitate the subsequent monitoring and control of actual expenditure

(j) in such a way that they can be related meaningfully to relevant non-financial information

Control of Budgets

7.1 Arrangements for the control of budgets should seek to ensure that;

- expenditure is maintained within approved budgetary provision
- funds are expended for approved purposes only

7.2 Such arrangements should include adequate procedures for;

- the safe comparison and monitoring of the progress of actual expenditure in relation to estimated expenditure - it is emphasised that reports of actual expenditure should be based on complete, accurate and up-to-date financial records which are properly reconciled to the bank account;
- the investigation of differences (variances) between actual and estimated expenditure
- appropriate action to correct differences (variances)
- the approval of changes to the budget
- the prevention of unauthorised expenditure

7.3 The administration of such procedures implies the existence and proper operation of an accounting system which is capable of producing, for every level of budgetary control, accurate, up-to-date, timely and appropriate financial information which facilitates the comparison and monitoring of actual and estimated expenditure.

Review of Budgets

8. Arrangements for financial management and administration should incorporate adequate provision for the review of budgets to establish whether the school's delegated budget is

being deployed in the most effective manner for the purpose of achieving managerial objectives.

Documentation of Systems and Procedures

9. Up-to-date records of how systems and procedures ought to be operated should always be maintained and such documentation should;

- specify system objectives
- describe clearly how the system, including any related procedures, works
- indicate who has authority to operate the system or any part of it
- include specimen system documents
- specify arrangements for dealing with system problems or failure
- enable any reasonably competent person to understand the system

Training

10. Training, whether on or off-the-job, should enable staff to discharge their duties efficiently and effectively through time. Financial training is offered to staff and governors through the Local Financial Services Team via the School Messenger Website.

Computing Arrangements

11. Where computing facilities are used for financial management and administration arrangements for their use should;

- conform to the requirements of Data Protection legislation from time to time in force
- secure the accuracy and integrity of all financial data relating to the school
- comply with copyright, designs and patents legislation and in particular;
    - only software legally acquired and installed is used
    - in developing systems due regard is given to the issue of intellectual property rights.

In particular, such arrangements should make proper provision for;

- the physical security of computer equipment and software
- the restriction of access to the means of processing or reading data to authorised personnel only
- procedures for the control of input and output
- procedures for the reliable reconstruction of records in the event of system failure (system back-up)
- procedures for the processing of data by alternative means in the event of other than temporary breakdown.

12.1 Financial stationery should be designed to be suitable for the purposes for which it is to be used and to incorporate adequate control features where appropriate (e.g. serial numbering, inclusion of key data such as VAT number).

12.2 Safe and efficient arrangements should be made for the delivery, receipt, storage, issue and return of financial stationery.

12.3 In particular proper records should be maintained in respect of the location and movement of serially numbered stationery.

Financial Records - General Requirements

13. All financial records, including computer records, should be;

- in a form which is consistent with standards of good operating practice for the systems to which they relate
- subject to proper security at all times while they are in the care or custody of the school
- retained for periods specified by the Section 151 Officer as necessary for the protection of the Council's interest
- available for inspection, at reasonable times, by those who are duly authorised to inspect them

Financial Records - Retention Of

14. Cornwall Council is required by statute to retain documents and records for varying degrees of time. The statutory requirements are those as laid down by HM Revenue and Customs and the Limitations act 1980. Further information can be found from the national Archives website: Http://www.nationalarchives.gov.uk

Financial records, including computer records, should be retained in suitably protective containers as follows;

Income Records

These include items such as receipt books, income analysis sheets and bank paying-in books. All income records should be retained for a minimum period of the current financial year plus the preceding SIX financial years.

Expenditure Records

These include items such as cash books, contracts, annual accounts, copy orders, cheque books, bank statements and paid invoices. Such records should be retained for a minimum period of the current financial year plus the preceding SIX financial years. It is also recommended that files of key documents relating to major financial matters should be retained for not less than this minimum period.

Year-end Record

At year-end the following reports should be run from the financial system:

- CFR Balances Table
- Fund Review
- FMS Final Report
- Summary of Schools CFR Data
- Income & Expenditure Final Report
- Consistent Financial Reporting Final Report
- Summary Trial Balance

The following information provided by the Council should be reconciled, completed and a copy kept by the school:

- Reconciliation and Declaration of Year End Balances
- Resource Statement
- Statement of Carry Forward & Interest

Such records should be retained for a minimum of six years plus the current.

Salaries and Wages Records

All records should be retained for a minimum period of the current financial year plus the preceding ten financial years.

Trust Funds

These should be kept indefinitely.

Grants

Invoices in respect of EC Grant funded projects must be retained for 3 years after the end of the programme; in practice this could mean retention in excess of 10 years. (If in doubt consult your Group Accountant).

Non-Financial Records – Retention of

Refer to Appendix 1

Operation of Official Bank Account

15.1 Official bank accounts should be held jointly in the names of the school and the Cornwall Council - accounts should not be opened in the name of any individual.

15.2 Authority to order, sign, or countermand cheques should be restricted to an approved person or, where more than one signature is required, persons, or in the absence of such persons approved deputy/deputies.

15.3 In respect of transactions other than remuneration of staff, all cheques, or other withdrawals, above a predetermined limit should be authorised by two approved signatories and the bank should be notified accordingly (Governors are recommended to adopt a limit within the range specified in the Financial Regulations for Schools).

15.4 No authorised signatory should sign a cheque payable to himself/herself. Each cheque payable to an authorised signatory should be signed independently of the payee. (This may need to be varied in emergency circumstances.)

15.5 Instructions to the bank concerning the account should be conveyed in writing and authority to give instructions should be restricted to the approved manager or, in her/his absence, an approved deputy.

15.6 No cash withdrawal should exceed a predetermined limit and the bank should be instructed accordingly (Governors are recommended to adopt a limit within the range specified in the Financial Regulations for Schools).

15.7 The amount of the school's official funds held as cash should not exceed a predetermined limit; additionally the balance of all official funds not held as cash should be held in the school's bank account (Governors are recommended to adopt a limit within the range specified in the Financial Regulations for Schools).

15.8 The balance of money per the bank's official statement should be reconciled with the school's financial system records at least monthly; the results of each reconciliation should be recorded and reported promptly to the Headteacher or authorised deputy.

15.9 Official monies should not be withheld for the private use of any person and personal cheques should not be encashed from official monies.

Payments - General

16. Systems for making payments should incorporate suitable controls designed to ensure in respect of all payments that;

- commitment to them is made in accordance with approved procedures and within approved budgetary provision
- adequate supporting records are completed at all stages and are retained safely after payment for periods specified by the Section 151 Officer for the purpose of protecting the Council's interests
- they are properly payable
- they are correct in all respects
- they are passed for payment in a timely fashion and in accordance with approved authorisation and processing procedures
- they are paid only once
- all statutory requirements are met
- they are promptly and accurately recorded in the school's financial information system

Procurement Arrangements and Contract Renewals

17.1 <u>Contracts:</u>

Governors are recommended to adopt a code of practice to be followed by any persons involved in making arrangements on behalf of governors for the letting of contracts. Any code of practice should make adequate provision to promote value for money, secure propriety and minimise the risk of corruption.

All contracts made on behalf of the Council shall be subject to the Council’s Contract Procedure Rules.

17.2 Procurement Arrangements:

For the purpose of these guidelines, Governors are reminded that all procurement should ensure that arrangements are entered into on the most economically advantageous terms to secure efficiencies and value for money for the school. The term procurement will include services contracts including any agreement for the supply and disposal of goods, materials, services (which includes agency staff and consultants) and the execution of works.

*For contracts under £25,000, Governors may wish to apply their own suitable limits which reflect business requirements and experience of staff subject to the **maximum limits** detailed below:*

- If the expenditure is less than £1,000 then only one verbal quotation is required if sufficient to show value for money.

- If the expenditure is over £1,000 but less than £25,000 for goods, works or services three quotations are required but there is no need for formal advertising.

- If the expenditure is over £25,000 for goods, works or services but less than the current OJEU threshold* then either a Request for Quotation or formal tendering should be performed. This should be advertised on Contracts Finder.

- If the expenditure is over the current OJEU threshold* the contract must be tendered in accordance with the Public Contracts Regulations.

Commercial Services can be contacted for support and advice for expenditure over £50,000.
commercialservices@cornwall.gov.uk

*OJEU thresholds increase every 2 years and as at 1 January 2020 are:

- **Goods and Services: £189,330**
- **Works: £4,733,252**

Full details are at B4.85 to B4.100 of the LA's Financial Regulations and procedures, the "Contract Procedure Rules"

Petty Cash

18. Payments from petty cash should meet the general requirements for all payments set out in Para. 15. above. Additionally;

- petty cash records plus cash balances in hand should be reconciled regularly to the balance of petty cash on FMS (the school finance system); (It is suggested that petty cash should be reconciled at least monthly.)
- petty cash should generally be used only for small, incidental purchases for which routine credit is not available
- remuneration of employees should not be disbursed from petty cash.

Income

19.1 Arrangements for dealing with income should incorporate suitable controls designed to ensure in respect of income that;

- adequate records are maintained to substantiate all income transactions
- receipts are issued for all cash income received
- procedures for debt recovery must be in place and annually reviewed
- prudent terms for credit are approved and communicated to debtors and satisfactory procedures (including, where necessary, withdrawal of credit facilities) are adopted for dealing with breaches of terms
- invoices are raised in respect of all credit income and all such income is collected in accordance with approved instructions
- all income received at the school's premises is held securely and banked promptly and intact
- amounts due are calculated in accordance with approved charging policies which include provision for annual review of charges
- where special conditions apply to the use or receipt of income, such conditions are adhered to
- income is not withheld for any purpose, including personal use
- every person paying money into a bank account shall enter on the paying-in slip and on the counterfoil or duplicate thereof, particulars of such payment including, in the case of each cheque, particulars which will connect each cheque to the transaction to which it relates
- all income transactions are recorded promptly and accurately in the school's financial information system
- income due is not written off unless the write-off is properly authorised in accordance with approved policies

19.2 Cornwall Council's policy on Money Laundering, as set out in its Anti-Money Laundering Policy is:

- Under no circumstances should an amount in cash in excess of £5,000 (five thousand pounds) be received by anyone on behalf of Cornwall Council in payment for any goods or services supplied or provided to any customer of the authority unless approval has been prior obtained from the Section 151 Officer or his representative since such acceptance would have serious implications under the legislation governing criminal activity of money laundering, including the need to register the Council as a High Value Dealer, as defined by legislation.
- *Governors and Head Teachers should also be wary of accepting and banking cheques that are clearly gross overpayments; for example, if a parent were to pay the sum of £1,500 instead of £150 for a school trip then the cheque should be returned to him/her with a request for a new cheque to be issued for the correct amount. By banking the original cheque for £1,500 and issuing a refund of £1,350 one could unwittingly facilitate the laundering of money.*

Insurances

20. Insurances, however arranged, should be managed so as to;

- provide adequate cover for the risks insured
- maintain cover up-to-date at all times
- ensure compliance with the insurers' requirement
- enable incident reports and claims to be processed promptly and effectively
- enable claim proceeds to be reimbursed and banked promptly
- ensure regular review of the need to insure risks, the cost and suitability of the policies maintained and the adequacy of the cover selected

Assets

21.1 Proper security should be maintained for all buildings, vehicles, plant, stocks, stores, furniture, equipment, money and other valuables.

21.2 Maximum limits for cash holdings should be approved by the governors and should not be exceeded without their approval.

21.3 Safe and efficient arrangements should be made for the reception, storage, issue and return of assets. Such arrangements should include the maintenance of appropriate records and inventories and periodic checks of equipment and stores against the relevant records and inventories. Any substantial surplus or deficiency revealed as a result of such checks should be reported to the Section 151 Officer.

21.4 Assets coming into the ownership of the school, by purchase or

- otherwise, should, so far as is reasonably practicable be effectively
- marked to identify them as Council property. They should not be removed from the school premises otherwise than in the ordinary course of official business except in accordance with a policy approved by the governors.

21.5 Where assets become obsolete or are damaged so as to render further use, for any reason, inappropriate they should be written off, provided they have no net resale value, in accordance with a policy approved by the governors. Adequate arrangements should be made for the recording and reporting of write-offs (***which should be certified by two authorised persons***) and governors are recommended to;

- limit authority to write off items to either the Governing Body or the Headteacher or an authorised deputy
- limit the authority of the Headteacher (or authorised deputy) to items with an original cost or likely sale value within a specified range
- require all write-offs to be reported to the Governing Body

21.6 Safe and efficient arrangements should be made for the disposal of surplus goods, materials, vehicles and equipment which have a net resale value. Adequate provision should be made for the recording and reporting of all such disposals. The precise arrangements for disposal will depend on the nature and value of the assets involved, the state of demand for them and the cost of their disposal. However, arrangements for the disposal of any asset should meet the following requirements;

- they should be legal and in conformity with any Government requirements from time to time in force
- they should be in accordance with governors' policy
- they should promote scope for competition among potential purchasers
- they should ensure that appropriate steps are taken to establish properly the value of the items to be disposed of
- If the goods/materials were vatable on purchase then the income for the sale of these items must show VAT
- they should be demonstrably fair and open and should avoid creating an unfair advantage for any interested party
- they should be appropriate having regard to the nature, value and current state of demand for the item(s) involved
- no asset which originally cost more than the amount specified in Para. 7. of Appendix C of the Financial Regulations for Schools or which is likely to have a sale value in excess of the amount specified in the Financial Regulations for Schools should be disposed of without reference to

the Section 151 Officer as such a transaction may have capital implications.

21.7 Safe and efficient arrangements should be made for the reception recording, storage and return or disposal of found property.

Other School Funds

22.1 Voluntary or private school funds should be accounted for separately from official Council monies and separate banking arrangements should be made for them.

22.2 Money belonging to a private or voluntary fund should be deposited in a bank or similar account and should not be used for purposes other than fund purposes. In particular money received on behalf of the fund should be banked at the earliest opportunity and no money should be withheld from the bank for private purposes.

22.3 One person should have overall responsibility for each fund.

22.4 Final accounts should be produced for each fund at the end of each annual period of account or on the closure of a fund where the fund operates for less than a whole year.

22.5 All final accounts should be audited and the audited accounts should be reported to governors within a specified time after the end of the annual period of account or the closure of the fund if that precedes the end of the period of account.

22.6 Adequate insurance cover should be arranged for such funds.

22.7 Two signatures should be required for each cheque drawn on the fund bank account.

22.8 Money may be donated to the main School fund from private fund but money should not be generally transferred between these accounts. Spend and income should be recorded in one bank account.

Intellectual Property

23. In respect of Intellectual Property, governors should ensure that;

- controls are in place to ensure that staff do not carry out private work in Council time and
- that their staff are aware of an employers' rights with regard to intellectual property.

Commercial Activities

24. General

- The Headteacher on behalf of Governors shall be responsible for protecting the interests of schools in relation to any activities having a commercial content which they undertake.
- In connection with any activity having a commercial content, the Headteacher, on behalf of Governors shall not enter into any arrangement which involves a school in the creation of a company or a partnership or a joint venture or other joint arrangements for the operation of commercial activities, without the agreement of the Section 151 Officer.

Expenditure for Purpose other than Educational Purposes

- If, in connection with activities having a commercial content, the Headteacher, on behalf of Governors, wish to incur expenditure which is primarily for commercial purposes or which exceeds the level which is necessary to sustain the educational purposes involved in such activities, shall submit detailed proposals for such expenditure to the Section 151 Officer before any commitment is undertaken and proposals shall not proceed without his/her agreement.
- In considering any such proposals for expenditure on commercial activities the Section 151 Officer shall consult with the Head of Legal, Democratic and Procurement Services as necessary and shall seek the instructions of the Council's Executive Committee where proposals involve any change in financial policy.

Investments

25. All arrangements concerning the investment of funds shall be made upon direction of the Section 151 Officer or, where appropriate, in accordance with guidelines approved by the Section 151 Officer.

External Arrangements – Partnerships

26. Headteachers, on behalf of Governors, shall be responsible for:

- compliance with any relevant Codes of Practice or Partnership Protocols and to obtain advice on the legal and taxation consequences ***before*** setting up any partnership/joint venture arrangements with outside bodies.
- maintaining a register of all contracts entered into with external bodies in accordance with Cornwall Council Financial Regulations and Contract Procedure Rules as specified by the Section 151 Officer.

- ensuring that, before entering into agreements with external bodies, a risk management appraisal has been prepared for the Section 151 Officer.
- ensuring that such agreements and arrangements do not impact adversely upon the services provided by the school or Council.
- ensuring that all agreements and arrangements are properly documented.
- providing appropriate information to the Section 151 Officer to enable a note to be entered into the Council's statement of accounts concerning material items.

Approval date: June 2025
Review date: June 2026

PART D

Procedure Notes

1. Organisation of Responsibility and Accountability

Once the annual budget has been set (see Budgets) the control of order processing and financial limits of purchases are as set out in the terms of reference agreed and minuted by the full governing body on (date). The terms of reference, which are complimentary to Parts A to C of this document, are as follows:

- The Finance Committee will meet at least once a term and must have a quorum of four members.
- The committee will draw up the school's annual budget for submission to the full governing body at the Spring Term meeting.
- The Local Financial Services Management Accountant / Schools Business Manager and the Headteacher will meet each month to review the monthly financial budget statements. These statements are produced from the local payments and accounting system (FMS) and can be obtained on request. The annotated statement or Management Account Report is then forwarded to the Finance Committee on a monthly basis and a Finance Committee Meeting is held.
- The Finance Committee will receive copies of all monthly financial budget statements and the Headteacher/Business Manager/Bursar will present to the Committee a summary of current expenditure at their meetings as a means of reviewing the budget. The most recent statement and minutes of the committee's meetings will be presented to all governors at the termly governors' meeting.

The Headteacher shall have the authority to vire within the set budget but must seek retrospective approval from Governors at next Finance Meeting.

The committee will have the authority delegated to them to move finances from the contingency funds up to a limit of £ 5000- excluding any single item of expenditure exceeding the sum of £1000. Items exceeding the £1000 or £5000 limits, as appropriate, must be approved by the full governing body and this may require the calling of an extraordinary meeting if urgent action is needed.

The Headteacher has delegated authority to manage the set budget within the parameters agreed by the governing body and to work within a purchase limit of £5000 per single item, including minor repair and maintenance works relating to the fabric of the school site. Any single transaction of an urgent nature over £ 5000must be approved by the Chairman of the Governors and the Chairman of the Finance Committee up to a limit of £ 10,000.

The committee has delegated authority from the full governing body to review and formulate, on an annual basis and prior to the summer holiday period, a set of hiring charges for school lettings and car parking.

In the absence of the Headteacher these terms apply to the Acting Headteacher.

When major purchases or building work or civil engineering is to be undertaken the Headteacher is required to follow the relevant accounting rules and procedural legislation for large contracts if applicable and in any event ensure that Contract Procedure Rules are followed:

- In all cases should any governor or staff member having a business or pecuniary interest in such matters this must be declared to the governing body and Headteacher and such notifications recorded in a register.
- The Headteacher has delegated responsibility to oversee the daily organisation and control of budgetary matters. This includes the following;
- To ensure sources of finance dealt with by the school are accounted for in an overt manner with the necessary book-keeping.
- To ensure procedures involving ordering, receiving and the payment of goods are within approved budgetary provision.
- To ensure payments are correct and paid only once.
- To ensure statutory requirements are met, for example HM Revenue and Customs regulations relating to VAT, PAYE and Construction Industry Tax.
- To ensure all processes, and particularly payments, are updated to the school's financial information system accurately and promptly.
- To report back initially to the Chairman of Governors about any matters of concern and inform the Finance Committee, in particular, of any new initiatives from the DFE or LA that affects the budget e.g. Further delegation, grants etc.
- Following the auditor's visit, upon receipt of the subsequent written findings, a copy of the report is seen initially by the Chairman of Governors and the Finance Committee. The report is then presented to the full governing body so that all governors are made aware of the current practice and are given the opportunity to debate and formulate an action plan if appropriate.
- In all cases the above responsibility applies to the Acting Headteacher at times when the Headteacher is unavailable.

2. <u>Budgets</u>

When preparing its annual budget the Governors work within the following aims and objective;

2.1 To ensure that spending priorities match educational priorities and that both reflect the school's aims. These include maintaining teaching and non-teaching staff levels incorporating the remedial teaching allocation; supporting the charging policy; updating and replacing

resources to support new initiatives and curriculum development and should be linked to the School Development Plan and any relevant Ofsted Action Plan.

2.2 To manage financial resources so that priorities in the school development plan can be effectively accomplished within a framework that will meet the professional needs of staff through in service training and purposeful appraisal.

2.3 To ensure that Health and Safety requirements are met.

2.4 To maintain and create a pleasing working environment including a good state of decor and repair, adequate heating and lighting.

2.5 To support effective management and administrative needs.

2.6 To have due regard for the achievement of economy, efficiency and effectiveness with the finances of the school in order to maximise value for money.

2.7 To ensure that the budget stays within the financial allocation, including any reserves brought forward. If a deficit budget is required, approval should be sought from the Local Authority by way of official application for a licensed deficit.

Budget Planning

The budget is complimentary to the School Development Plan in the short and long term, and this is crucial in the planning and preparation stages of the budget in the Spring Term.

In consultation with staff, and especially curriculum co-ordinators, the Headteacher, with, if necessary, assistance from officers of the LA, prepares and submits a draft curriculum budget for discussion with the Finance Committee at the beginning of the Spring term. This includes an analysis and review of staffing needs, both teaching and non-teaching and its costings (this can be obtained via the LFS Team on request).

In addition, the Building and Sites Committee will review the programme of works outstanding and submit a provisional estimate of budgetary needs for consideration by the Finance Committee.

Upon receipt of the various contributors, the Finance Committee then formulate a draft budget for submission to the full governing body for consideration and discussion at the next termly meeting (ideally the termly meeting should sit before the 31st March in order that the budget can be finalised before commencement of the financial year).

When the governing body has set a budget for the next financial year, a copy is sent to the LA for their information and attention.

The approved school budget and other funds shall be continually monitored by the Headteacher and other senior/responsible staff at the school and the local accounting and payments system (FMS) will assist in this matter. In addition the Headteacher with the assistance of a representative of the LFS Team/Business Manager/Bursar will reconcile and analyse the monthly budget statement produced directly from the accounting system. This will be normally undertaken once the payroll data for the corresponding month has been reconciled. All background papers are retained on a month by month basis in case of future reference.

The monthly statement is reviewed by the Chairman of the Finance Committee before being sent to members of the Committee or presented to a meeting of the Committee. This enables governors to ensure that their agreed Terms of Reference regarding financial matters, and especially expenditure is adhered to.

The latest financial review is always the focus of the governors' meetings held each term.

3. <u>Ordering Goods and Services (Purchasing)</u>

For the purpose of these guidelines, school Governors are reminded that all procurement should ensure that arrangements are entered into on the most economically advantageous terms to secure efficiencies and value for money for the school i.e. full use is made of the LA supplies support department, tenders are sought and catalogues compared. The term procurement will include services contracts including any agreement for the supply and disposal of goods, materials, services (which includes agency staff and consultants) and the execution of works.

3.1 Procurement Arrangements and Contract Renewals:

For contracts under £25,000, Governors may wish to apply their own suitable limits which reflect business requirements and experience of staff subject to the maximum limits detailed below:

1. If the expenditure is less than £1,000 then only one verbal quotation is required if sufficient to show value for money.

- If the expenditure is over £1,000 but less than £25,000 for goods, works or services three quotations are required but there is no need for formal advertising.

- If the expenditure is over £25,000 for goods, works or services but less than the current OJEU threshold* then either a Request for Quotation or formal tendering should be performed. This should be advertised on Contracts Finder.

- If the expenditure is over the current OJEU threshold* the contract must be tendered in accordance with the Public Contracts Regulations.

Commercial Services can be contacted for support and advice for expenditure over £50,000. commercialservices@cornwall.gov.uk

*OJEU thresholds increase every 2 years and as at 1 January 2016 are:

- Goods and Services: £164,176
- Works: £4,104,394

Full details are at B4.85 to B4.100 of the LA's Financial Regulations and procedures, the "Contract Procedure Rules"

3.2 Official written, pre-numbered orders must be used for all goods and services except utilities, rates etc. and a file is kept of all copy orders signed by authorised signatory.

3.3 Goods received as a non-order invoice are annotated on the computer system and invoices processed and filed as routine.

3.4 Those staff authorised in the schedule of financial limits are the only members of staff authorised to raise an order.

3.5 Individuals are not allowed to purchase any items for personal use through the school and governors have delegated to the Head and Deputy only, the authority to oversee and certify all orders.

3.6 Monitoring of the current commitments and expenditure for the budget is built into the FMS system and automatically reviewed when placing and invoicing orders.

4. Receipt of Goods and Services (Internal financial control)

4.1 When the budget is set, funds are allocated to clearly defined departments in order to monitor expenditure.

4.2 Upon delivery of general purchases, the member of staff who has placed the order (originator) checks the items off against the delivery note which is retained to be checked against the official payment invoice. If this is correct it is authorised, signed and dated as such and passed to the secretary for payment.

5. Processing Invoices for Payment

5.1 The official invoice is processed for payment by the Secretary and authorised by the Headteacher or Deputy Headteacher (it being established that whoever ordered the goods cannot undertake this process).

5.2 Invoices are verified against the original order/delivery note, where applicable, stamped with a payment certification stamp (and annotated as necessary) and processed on the FMS system.

5.3 Where a copy invoice is passed for payment, the secretary is to check that it has not been previously paid and must endorse, sign and date the invoice to that effect.

6. Cheque Production

6.1 Cheques are to be kept in a locked receptacle when not in use.

6.2 After the cheque for payment is printed, the details are entered on the invoice certification stamp and checked/countersigned in accordance with the schedule of financial limits.

6.3 Cheques are signed in accordance with the schedule of financial limits and then sent to suppliers. In the case of payments exceeding £5000 the signature of a Governor is also required.

6.4 The invoice and copy order if applicable is attached to the cheque stub and numerically filed for a retention period of six years plus the current year.

6.5 After cheques have been presented for payment, reconciliation of the weekly bank statements is then undertaken by the Secretary/Headteacher and the FMS system updated within a few days of receipt and at intervals of at least monthly. In case of monthly statements the reconciliation should be undertaken within a few days of receipt. All reconciliations should be signed and dated by the officer completing and reviewing such.

6.6 Copies of statements and the current budgetary balance are then filed numerically.

7. Petty Cash (using imprest system)

7.1 The governors have agreed a limit of £50 to be held for petty cash.

- A cheque for cash is raised through the accounting system which is then cashed at the bank by the secretary. This cash is then kept secure in a cash tin located in the school safe.

7.2 Access to petty cash is authorised by the Headteacher and is limited to the secretary who is responsible for recording all postage and retaining receipts for stamp purchases.

7.3 The Headteacher oversees that all transactions relating to petty cash are entered into the schools computerised accounting system. A manual record of petty cash transactions is also retained in the school office.

7.4 Regular checks are made by the second secretary to ensure that the petty cash balance recorded on the manual records, accounting system and physical cash agree.

8. Income

8.1 Letting tariffs are annually reviewed and set by the governing body and must have due regard for VAT legislation, Health and Safety and the need to cover the full cost of the letting (e.g. energy, caretaking/cleaning and maintenance costs). Free and concessionary lettings should be approved by Governors, and documented as with all lettings.

8.2 The Headteacher has been delegated the authority to approve lettings and sign official, pre-numbered receipts of fees received. Invoices are raised by the secretary and should be dated, be consecutively numbered and have payment terms and have VAT number included.

8.3 The Secretary records all sources of income in writing, daily or upon receipt, as appropriate. These are entered onto the relevant income forms/books and lettings register which are kept in the office.

8.4 A register is kept of all lettings and receipts issued which is subsequently used for reconciliation purposes on the computer system. Income transactions are entered onto the computer and the Secretary banks the fees upon receipt.

8.5 All monies received are 'bagged' in separate, labelled containers (for immediate accountability/access) and secured in the school safe prior to banking (Key holders: Headteacher and Secretary only)

8.6 Income collections are not used for encashment of personal cheques.

8.7 Debt Recovery Procedures are laid out in Appendix A

9. Banking arrangements

9.1 All cheques drawn on the School Account are crossed "account payee only" and bear two authorised signatories – in accordance with the schedule of financial limits. In the case whereby the amount payable exceeds £5,000 (all Special and Primary Schools) or £20,000 (Secondary Schools), then the signature of an authorised Governor is also required.

9.2 For security purposes no cheques will be pre-signed and blank cheques will be locked in the office safe.

9.3 Bank statements are obtained either weekly or monthly and reconciled against the accounting system (FMS) by the Secretary. All statements must be reconciled within a few days of receipt and at intervals of not more than monthly. The reconciliation process is reviewed by either the Headteacher or Deputy Headteacher who certifies the copy taken of the current balance which is filed chronologically with the official bank statement.

9.4 In order to maximise interest on its account, the LA retains the bulk of the school resources for investment purposes. The school is only advanced sufficient funds based on the approved non-payroll element of the current year budget plus other fund allocations such as Standards Fund.

These monies are retained in bank accounts which are sub-accounts of Cornwall Councils County Fund Account and are, therefore, consolidated at the end of each day in order to further maximise the earning potential of those resources.

9.5 The school's private fund is kept separate and a record is maintained by the school Secretary in a ledger retained in the office together with all other records and papers relating to private funds.

9.6 Security of cash is covered under section 13 - Security of Stocks and Other Property.

10. <u>Personnel Records and Payroll Reconciliation</u>

The governors have purchased through the Service Level Agreement Scheme for the administration of the school's payroll to be undertaken by the Payroll Section of the Personnel Department.

To ensure that payments are made only to those employed by the school the following procedures are established:

10.1 Under the direction of the Headteacher and in accordance with the pro-forma variation sheets provided by the Payroll Section, the Secretary administers all aspects of appointment and termination of teaching and non-teaching staff posts. This is checked and signed by the Headteacher or Deputy Headteacher/Senior Teacher before posting.

10.2 Teachers contractual details are amended on the Personnel module of the SIMS software by the Secretary, under the direction of the Headteacher. Details of salary are entered after approval by the full governing body of the Personnel (Pay) Committee's recommendations and cross referenced to the Payroll printouts supplied by the Payroll Section.

10.3 The day to day administration relating to the lunchtime supervisors and cleaners has been delegated to the secretary with all paperwork being overseen by the Headteacher/Deputy Headteacher.

10.4 The school receives a monthly reconciliation of payments made to staff during the previous month via Secure Transfer file. This is used to update the transaction data in FMS. Full procedure notes on this exercise are held at the school. This procedure is usually completed monthly by the Schools or LFS Technician with the school secretary reviewing all data and must be signed, dated and checked back to Schools staffing list.

11. Insurance

The governors annually review the risks to which the school is exposed;

Details are available on our Cornwall Council website regarding the school and LA's responsibility for:

- Public Liability Insurance
- Employers Liability Insurance
- Officials' Indemnity (Professional Negligence)
- Personal Accident Insurance
- Property Insurance
- Cash Policy
- Fidelity Guarantee Policy
- Engineering Insurance

In all the above cases the school is covered under a block policy held and monitored by the Insurance Officer based at County Hall in the Section 151 Officer's Department.

Further policies are available to the school which are optional and in some cases are extensions to the policies named above. These include:

- School Journey Insurance
- Personal Accident - School Pupils
- Personal Accident - (Assault Risk) School Governors
- Lettings Insurance - Loss of Revenue
- Self-Insurance Scheme - School Equipment
- Supply Insurance Scheme (Sickness)

The optional policies are considered annually, as in the case of the Supply Insurance Scheme and Self Insurance Scheme - School Equipment, or on an ad hoc basis for School Journey Insurance.

Claims

In the event of a claim arising, the Insurance Officer should be notified without delay. Under the General Conditions of its insurance policies the Council is obliged to inform its insurers immediately of any such claims and any delays can hinder the company in their handling of the particular matter in question.

If a claim is made by a third party, no admission of liability should be made and the claimant should be advised that the matter is being investigated and dealt with by the appropriate officer.

The Council's insurers are entitled to receive all information or assistance they may require to enable them to deal with a claim and when requested this should be provided as quickly as possible.

Although Cornwall Council has a comprehensive package of insurances there is nevertheless an obligation on the part of every employee and governor to take all reasonable precautions to prevent accident, loss, damage or injury. To this end the Building and Sites committee and the Health and Safety Governor tour the site each term to note any factors that might constitute a hazard and take action as appropriate.

12. Computer Systems

12.1 The school uses the computer to process and record financial and other management data including pupil and staff records. These records are registered under the Data Protection Act through the Cornwall Council Data Protection Office.

12.2 Security of the computer is controlled through access being limited to those staff authorised by the Headteacher such as Deputy Headteacher, Secretary and Education Accountancy Technician; with varying degrees of access being authorised by the Headteacher, and by strict observation to password security and frequent changes of passwords. Access to sensitive data should be restricted to those staff requiring access to perform their duties.

12.3 For additional security, at the end of each working day, or as appropriate, a back-up disk is taken of all transactions, dated and the disc kept secure in the school safe.

12.4 Only authorised software, purchased or imported from the LA's Technology Department (IS or SIMS Team), may be loaded in order to minimise the risk of computer viruses entering and corrupting the system.

13. Security of Stocks and Other Property

13.1 Governors allocate a specific amount of capital for consumable items to each budget holder as appropriate to their needs at the beginning of the financial year. In addition to this the Headteacher authorises supplementary resources for class administration and assessment, displays etc. which are stored and locked in a central stock room.

13.2 Details of expensive items of equipment (over £1000) or those deemed removable or desirable are recorded upon delivery by the Deputy/Resource based learning Co-ordinator in the Stocks and Stores book located in the office. Stock-taking of these items is carried out each annum.

13.3 All write-offs or disposal of surplus equipment is recorded and certified in the Stocks and Stores book by authorised signatories or that of the Chair of Governors for items valued in excess of £500.

13.4 Smaller AVA items are recorded on an internal AVA record kept on computer and are checked twice yearly.

13.5 During holiday periods the larger, expensive items are collected and stored securely. During term time alarm systems are activated overnight and steps taken by staff to prevent computer equipment etc being on display.

13.6 School property may only be taken off the school site by permission of the Headteacher.

13.7 The Headteacher, Caretaker and Site Supervisor are the only members of staff who act as key holders and in the unforeseen event of keys being mislaid, the Headteacher is informed immediately.

13.8 The Cash Policy Insurance Scheme covers the school under the following conditions:

- In the event of loss of money from the Authority's premises, and whilst in transit in the custody of the Insured's employees. There is also a certain amount of cover for school private funds.
- The maximum amount of liability in respect of any one loss from a locked receptacle (other than safes and strong-rooms) is £1,000 If money is lost from a safe or strong-room the limit is higher and depends on the type and location of the safe in question.
- As far as school private funds are concerned the current limits under the policy are as follows -
    - Money in any school premises in wall safes, locked cupboards, or similar locked receptacles, £1,000
    - In floor safes or other free standing safes, £3,000.
    - Money in transit in the custody under the control of the Insured's employees £3,000

14. <u>School Voluntary & Private Funds</u>

14.1 The Secretary acts as the Section 151 Officer of the school's private fund and full records are maintained in a ledger book retained in the school office. The account is verified annually by an independent, suitably qualified person. All receipts, bank statements and appropriate documentation are provided for the verification.

14.2 The Verification report is presented to the governors at the next Meeting.

14.3 The cheque signatories for the school's private funds are the Headteacher and both assistant headteachers

14.4 The current balance is reconciled with the monthly statement and checked by the Headteacher.

14.5 All transactions must be accompanied by official receipts or in the case of "local" purchases "proof of purchase" which must be seen by the Headteacher/Deputy Headteacher and the school receipt will be countersigned accordingly.

14.6 All monies collected and goods purchased are distinctly separated from the School Budget and documented accordingly.

14.7 The school currently maintains * separate private fund accounts. These are;

- Current Account*
- Deposit Account*

All separate school funds accounts should hold Terms of Reference, Fund Constitution and should be verified annually by a suitably qualified person and reviewed and approved annually by the Full Governing Body.

15. <u>School Reserves</u>

15.1 School reserves are reviewed at least annually - this normally being at the budget setting time i.e. February/March.

15.2 Movement to or from one or more specific reserves must be approved by the whole governing body. The School balances policy no long exists so there is no requirement to notify the LA.

15.3 Current specific reserve options are :

- Curriculum Development
- Furniture & Equipment
- ICT Developments
- Network of School Activities
- Premises
- Vehicles

15.4 Interest is calculated on the balances remaining in the school accounts. This exercise is undertaken by officers of the Section 151 Officer's Department at the end of the financial year and based on the interest rate for the full 12 months of the year.

15.5 All interest attributable to the school is added to the carry forward balance at the end of each financial year.

16. **<u>Removal & Interview Expenses</u>**

Removal expenses to new members of the school staff are not paid.

Interview expenses are paid at the discretion of the interview panel and will only be settled on the production of valid invoices or receipts. Travel expenses, if approved, will be calculated at public transport rates and/or appropriate fuel prices bearing in mind the distance travelled.

17. Debt Recovery Procedures

Debt recovery becomes necessary when the customer fails to pay to the agreed terms set out in the original contract. The procedure has been written based on the standard Cornwall Council payment terms of 28 days.

- **1st reminder letter – 32 days after the invoice date (sample attached)**
- **2nd reminder letter – 10 days after the 1st reminder letter (sample attached)**

The attached letters are examples only and will need to be amended to incorporate the school details rather than those of Cornwall Council.

Depending on the trading relationship you have with the customer a phone call may be more appropriate than reminder letters as any issues can be resolved on a more personal basis. **To assist with recovery action it is important to keep copies of all correspondence and a record of all telephone calls relating to the debt.**

If payment has still not been secured after the above actions the school will need to make a decision on whether they wish to pursue the debt further. This decision is likely to be taken in relation to the value of the debt and will need to be made on a case to case basis. In some cases if the debt is a very low value it is uneconomical to continue with the recovery action.

If the school decide to pursue the debt they should contact Credit Management Services when the case can be discussed to find the best way forward. At this stage the usual course of action would be for Credit Management to write to the debtor requesting payment. If payment is not received on this first demand there are 3 options open:

1) **Write off**
2) **Instigate legal proceedings**
3) **Referral to 3rd Party Collection Agents**

The course of action will depend on the specific nature of the case and the decision should be made in consultation with Credit Management.

A copy of our Code of Practice can be found on the next page and should be adhered to.

If you have any questions relating to debt matters please contact Credit Management.

Credit Management Services

Code of Practice

- We do not use oppressive or intrusive collection methods.
- We do not act in a manner intended to embarrass the debtor.
- We are circumspect and discreet when attempting to contact the debtor, whether by telephone, letter, or by personal visit.
- We ensure that all attempted contact with the debtors is made at reasonable times and at reasonable intervals.
- Unless instructed otherwise by the debtor, we do not discuss with or disclose to neighbours, relatives or employers a consumer's indebtedness.
- We do not use improper means to obtain the telephone number or the address of the debtor.
- We do not pressure debtors to sell property or raise funds by further borrowing.
- We do not falsely imply that criminal proceedings would be brought, nor that civil action has been instituted in default of payment.

First Debtor Chasing Letter

Full Name(s)

First Line of Address

Second Line of Address

Town

County

Postcode

Date:

Dear (name)

INVOICE NUMBER/TYPE OF DEBT (SCHOOL MEALS/TRIPS/ETC):

INVOICE DATE:

AMOUNT OUTSTANDING:

Our records show that the above sum is outstanding and overdue for payment. For your assistance, we enclose a further copy of the invoice.

If you have a dispute or query regarding this invoice, or have already sent your payment to us, please use the below form to notify us immediately.

If you do not dispute this invoice, please forward your payment **within 7 days from the date of this letter**. Your remittance should be made payable to XXXXXXXXX or made via ParentPay/SchoolsComm.

Please return this letter or the slip from the foot of the invoice with your payment if paying by cheque or cash.

Thank you for your cooperation.

If you have already paid this invoice, please provide the following details…

Name	Telephone Number
Total Amount of Payment	£
Method of Payment	Cash/Cheque/ParentPay/SchoolsComm
Date of Payment	
Date the payment cleared your bank account	
Address to which payment was sent or taken	

If you have a dispute or query regarding this invoice, please provide full details in the space below. Please use additional sheets and attach copies of relevant correspondence if necessary.

Name	Telephone Number
Details	

Final Notice Letter

Full Name(s)

First Line of Address

Second Line of Address

Town

County

Postcode

Date:

FINAL NOTICE

Dear (name)

INVOICE NUMBER/TYPE OF DEBT (SCHOOL MEALS/TRIPS/ETC):

INVOICE DATE:

AMOUNT OUTSTANDING:

Despite our previous correspondence, this invoice (copy attached) remains overdue for payment.

If you do not dispute this invoice, please forward your payment of £ (XXXXXXX) **within 7 days from the date of this letter**. Your remittance should be made payable to XXXXXXXXX or made via ParentPay/SchoolsComm.

If you have a dispute or query regarding this invoice, have already sent your payment to us, or are having difficulty in paying this invoice, please contact us immediately.

Thank you for your cooperation.

If you have already paid this invoice, please provide the following details…

Name	Telephone Number
Total Amount of Payment	£
Method of Payment	Cash/Cheque/ParentPay/SchoolsComm
Date of Payment	
Date the payment cleared your bank account	
Address to which payment was sent or taken	

If you have a dispute or query regarding this invoice, please provide full details in the space below. Please use additional sheets and attach copies of relevant correspondence if necessary.

Name	Telephone Number
Details	

Appendix 1

Approval date: June 2025
Review date: June 2026

NON-FINANCIAL RECORDS – RETENTION OF The table below summarises the type of record and the period for which they need to be retained	
Record	**Retention Period (years)**
Absence Records	6
Accident Books	Pupil records until age 26; 3 years for the rest
Admission Registers	3 (then to Archivist)
Attendance Records	3
Child Protection Issues	To be held centrally
Circulars to Parents	3 years
Complaints – Parental/Pupil/Employees	Until 26 years old (Pupils/Parents) Until 75 years old (Employees)
DfE returns and supporting paperwork	6 + 1
Employment Application Forms	Successful applicants – see Personnel Records Unsuccessful applicants – 6 months
Exam Results	6
Free School Meals	6 + 1
Form 4/Form 7 returns	6 + 1
Governors' Meetings minutes	6 (then to Archivist)
Home Tuition	Until 26 years old
HSW5	Until 26 years old for pupil records, 3 + 1 for all others
Log Books	To Archivist upon completion
Personnel records	Generally 5 years after employee has left, but records of anyone leaving under unusual circumstances to be kept indefinitely
Prospectus	Keep until youngest child that year is 26 years old
Punishment Books	3 (then to Archivist)
Pupil records	6 + 1
Payroll & Travel records	10 + 1
School Meals	3 (as long as needed for Admin purposes) registers returned to Internal Audit at end of each term.
SEN records	75 years
Staff Meetings minutes	To Archivist after use
Statistical Returns	6 + 1 (held centrally)
Student Services Student Record Card	5 + 1
Supply Cover Insurance	6 + 1 (Shred)
Syllabus	Keep between Ofsted Inspections
Teachers' Files	Generally 5 years after employee has left, but records of anyone leaving under unusual circumstances to be keep indefinitely
Theft & Vandalism Scheme	6 + 1 (Shred)

Timetables	Keep between Ofsted inspections

Appendix 2

Declaration of Business, Pecuniary & Other Interests

School / Academy	
Name of Governor / Member of Staff	

I understand that it is my responsibility to declare the nature of any business or pecuniary interest, direct or indirect, of myself or of the members of my immediate family in any contract, proposed contract or other matter when present at a meeting at the School where the specified contract or other matter comes under consideration and withdraw from the meeting during the discussion and not vote in respect of it.

I also understand that it can be a criminal offence to:

- knowingly omit information which should be included on this form;
- provide information which is false or misleading;
- fail to notify the governors or head teacher of any subsequent change in circumstances which might render this declaration invalid or out of date

Which Interests Should I Declare?

- Any conflict of interest – where your personal interests or loyalties could, or could be seen to, prevent you from making a decision only in the best interests of the school
- Any conflict of loyalty – where your loyalty or duty to another person or organisation could prevent you from making a decision only in the best interests of the school
- Any business or pecuniary interest (direct or indirect) – including any links you have with local businesses or organisation from which the school may / does buy goods or services from

Any of the above which apply to members of your immediate family (any child, stepchild, parent, grandchild, grandparent, brother, sister, spouse or person living with you as a partner).

When Should I Declare Them?

- Annually when completing this form
- Whenever your circumstances change (you must inform the clerk and Headteacher)
- As soon as it is practical and at any meeting where the proposal, contract or other matter is being discussed and / or voted on.

Governors will decide if it is appropriate for you to remain in the room and / or take part in any discussion. If an incident arises where you are unclear as to whether you have an interest, the Governors will make the final decision.

If you have no such interests please write "NIL" in the table below – for completeness of the School's records NIL returns are required.

Are you (or any one of the relationships shown above) an employee of the School?	**YES**	**NO**
Please give details of your role:		
Are you (or an interested other) an employee/governor/trustee/volunteer at another school/college/multi-academy trust / academy chain?	**YES**	**NO**
Please include all primary, secondary, post-16 settings:		
Are you (or an interested other) a parent of any children aged 18 years or less educated in Cornwall?	**YES**	**NO**
Please give details:		
Do you (or an interested other) have any directorships, partnerships or employments with businesses that provide goods or services to the school or other local educational institutions – or potentially could in the future?	**YES**	**NO**
Please list the name(s) of the business, the nature of the business, the nature of the interest and the date the interest began:		
Please tell us about any other interests which you consider significant – including you (or an	**YES**	**NO**

interested other) being a member or officer of any local community organisation, charity or other public body or holding shares in an interested business?		
Details:		

I certify that I have declared all beneficial interests which I or the members of my immediate family have with businesses or other organisations which may have dealings with the school. I also undertake to inform the school of any change in these business interests.

Signed	
Dated	

Reviewed by Chair of Governors

Signed	
Dated	