



**Bassingbourn**  
Community Primary School

# **Bassingbourn Community Primary School**

## **Finance Policy and Procedure**

This policy was ratified on: 22<sup>nd</sup> January 2025

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\*\*Lettings Policy & Charges and Remissions Policy removed as they sit outside this document

## 1. Introduction

This document sets out the roles and responsibilities of school management and staff in relation to the Financial Arrangements within the school. This Finance Policy complies with Cambridgeshire County Council Financial Regulations. The Governing Body controls this Finance Policy.

## 2. The Governing Body

An elected Governing Body manages the school. The Governing Body is responsible for delivery of an effective and efficient education for the pupils of the school. The responsibilities are wide ranging and cover all aspects of the curriculum, staffing, health & safety, admissions, attendance, discipline and finance.

The set-up of the Governing Body and the current governors is shown on the 'Governing Body Membership' document.

The Chair of Governors is

**Alison England**

The Vice Chair of Governors is:

**Rachel Butterworth**

Fuller detail of the set-up of the governing body is held in the **Governance Documentation** held by the **Head Teacher** and a '**Competency framework for Governance 2017**' issued by the DFE.

### Financial frameworks and accountability

These are the skills, knowledge and behaviours which enable the board to ensure that the organisation is in a strong and sustainable financial position to achieve its strategic goals. It is about ensuring the sustained financial health and efficiency of the whole organisation.

Everyone on the board
<b>Knowledge</b>
<ul style="list-style-type: none"><li>the financial policies and procedures of the organisation, including its funding arrangements, funding streams and its mechanisms for ensuring financial accountability</li><li>the organisation's internal control processes and how these are used to monitor spend and ensure propriety to secure value for public money</li><li>the financial health and efficiency of the organisation and how this compares with similar organisations locally and nationally</li></ul>
<b>Skills and effective behaviours</b>
<ul style="list-style-type: none"><li>has a basic understanding of financial management in order to ensure the integrity of financial information received by the board and to establish robust financial controls</li></ul>

## Everyone on the board

- has confidence in the arrangements for the provision of accurate and timely financial information, and the financial systems used to generate such information
- interprets budget monitoring information and communicate this clearly to others
- participates in the organisation's self-evaluation of activities relating to financial performance, efficiency and control
- is rigorous in their questioning to understand whether enough being done to drive financial efficiency and align budgets to priorities

## Someone on the board

### *Knowledge*

- the organisation's current financial health and efficiency and how this compares with similar organisations both locally and nationally

### *Skills and effective behaviours*

- uses their detailed financial knowledge and experience, which is appropriate for the scale of the organisation, to provide advice and guidance to the board

## The chair

### *Skills and effective behaviours*

- ensures the board holds executive leaders to account for financial and business management, as much as educational outcomes
- leads the board to identify when specialist skills and experience in audit, fraud or human resources is required either to undertake a specific task or more regularly to lead committees of the board

## Financial management and monitoring

The competencies required will ensure that the board is able to make sufficiently informed and effective decisions on the use of resources and allocation of funds to improve outcomes for children and young people. It will also ensure that public money is utilised efficiently and in the best interest of the organisation.

## Everyone on the board

### *Knowledge*

- the organisation's process for resource allocation and the importance of focusing allocations on impact and outcomes
- the importance of setting and agreeing a viable financial strategy and plan which ensure sustainability and solvency
- how the organisation receives funding through the pupil premium and other grants e.g. primary sport funding, how these are spent and how spending has an impact on pupil outcomes

## Everyone on the board

- the budget setting, audit requirements and timescales for the organisation and checks that they are followed
- the principles of budget management and how these are used in the organisation

### *Skills and effective behaviours*

- assimilates the financial implications of organisational priorities and use this knowledge to make decisions about allocating current and future funding
- interprets financial data and asks informed questions about income, expenditure and resource allocation and alignment with the strategic plan priorities

## Staffing and performance management

The knowledge and behaviours required by the board to oversee executive leaders in their responsibility to ensure that the organisation has the right staff who are managed and incentivised to perform to the best of their abilities.

## Everyone on the board

### *Knowledge*

- the organisation's annual expenditure on staff and resource and any data against which this can be benchmarked against
- how staff are recruited to the organisation and how this compares to good recruitment and retention practice
- how staff performance management is used throughout the organisation in line with strategic goals and priorities and how this links to the criteria for staff pay progression, objective setting and development planning
- the remuneration system for staff across the organisation

### *Skills and effective behaviours*

- ensures that the staffing and leadership structures are fit for purpose
- takes full responsibility for maintaining, updating and implementing a robust and considered pay policy
- feels confident in approving and applying the system for performance management of executive leaders
- identifies and considers the budgetary implication of pay decisions and considers these in the context of the spending plan
- pays due regard to ensuring that leaders and teachers are able to have a satisfactory work life balance

In terms of the finance responsibilities, the role of the Governing Body is:

- To provide guidance and assistance in any matters relating to the governor's financial responsibilities and to ensure that there are clear procedures for governors' expenses.
- To oversee longer term financial planning and resourcing in the context of the School Development Plan and of the policies and objectives of the school, and to advise the governors thereon as appropriate.
- To consider each year's annual Development Plan priorities and to recommend an annual budget to the governing body for approval.
- To monitor spending of official funds against budget during and after the close of the financial year on a regular termly basis and to report on significant issues to the governing body.
- To authorise virements and non-budgeted expenditure decisions of a size lying between 1% and 2.5% of the whole of the annual LMS budget, and make recommendations to the full governing body on such items with a value of over 2.5% of the budget.
- To ensure non-LA funds are regularly monitored and checked.
- To review, at the first meeting in each academic year, the financial regulations and terms of reference, and make any recommendations for changes to the governing body.
- To review and approve policies and procedures relating to lettings policy and policy charging for school activities.
- The committee shall prepare information on income and expenditure for the governor's annual report to parents if required.

The Governing Body delegates some of its powers **within a committee structure as well as** to the Head Teacher.

**The Committees follow a defined terms of reference but are split into the following groups:**

**~~The Resources and Personnel Committee~~**

**~~The Standards and Improvements Committee~~**

The Governing Body meets termly as shown on the Timetable of Events in **Appendix 1**.

### **~~3. The Resources Committee~~**

The **~~Resources Committee~~ Governing Body** adheres to the terms of reference as per Appendix 2 which include:

- To review drafts of the annual budget and to recommend the annual budget for **the full Governing Body to endorsement**.
- Monitor the actual income and expenditure and forecasts against the agreed budget. This is done at least **once each term. (See Appendix 1)**.
- **Maintain the Scheme of Delegation, recommending any required changes to the full Governing Body.**
- Review reports from Internal Audit and other officers with responsibility to report issues to the committee.

- Determine the school structure
- Report to parents annually on its stewardship of the school's finances. This should be in the form of a Governance statement regarding how it has fulfilled its responsibilities – particularly in relation to its core functions, including:
  - The governance arrangements that are in place, including the remit of any committees
  - The attendance record of individual governors at board and committee meetings
  - An assessment of the effectiveness and impact of the board and any committees with details of any particular challenges that have arisen

#### **4. The Role of the Head Teacher**

The Head Teacher controls the day to day activities within the school and all staff report to the Head Teacher within a management structure.

The Head Teacher is responsible for the day to day activities of Finance & Administration. The Head Teacher's role is:

- To manage the school's financial position at a strategic and operational level
- To have responsibility for the day to day running of the school, including effective systems of internal control and other financial issues
- Have a key role in helping the Governing body draw up a development plan for the school and carry it out
- To ensure that financial statements are properly presented and adequately supported
- To have responsibility for all tasks delegated by the Governing body
- To manage and advise the Resources and Personnel Committee and the Governing Body on the position of the school budget.
- To ensure the Governing Body and the Resources and Personnel Committee are provided with relevant and timely information for them to discharge their duties.
- To ensure all financial matters are undertaken in compliance with DFE guidelines and the Financial Regulations for Schools.
- To ensure all financial returns are completed and submitted within the required time scales.

#### **5. Financial Regulations**

The school aims to always follow the guidelines as documented in the Cambridgeshire Financial Regulations for Schools (2017).

#### **6. General Arrangements for Financial Control and Accounting Arrangements**

The school follows the guidelines for financial control and accounting as shown in the Financial Regulations for Schools (2017).

## **7. The Scheme of Delegation**

The Scheme of Delegation lists the financial responsibilities of the staff and governors within the school. This delegation is the distribution of responsibilities of the Governing Body.

The Head Teacher and the Governing Body review the scheme annually ensuring that the correct levels of delegated powers are given to individuals or committees. The Full Governing Body endorses the review before any changes are exercised.

Delegated powers include both financial and non-financial functions

The scheme sets out the delegated powers that come with the responsibility of a particular role. It assumes that the delegated power transfers to the new post holder if the original post holder leaves the school. However, whenever such a change occurs the scheme is updated to include the name of the new responsible member of staff.

The scheme ensures that no one individual has the authority to perform an entire process where school delegated funds are involved.

All staff are made aware of the delegated powers that they have been given and are required to complete a declaration accepting the powers and responsibilities.

The full list of delegations can be found in **Appendix 3**, this is communicated to all staff and governors at least annually.

## **8. Pecuniary Interests**

It is the responsibility of the **Head Teacher and the Governing Body** to ensure that staff and governors do not directly or indirectly benefit financially when spending public money.

To control this conflict of interest, the school has established a register of pecuniary interests of all staff and governors.

All staff and governors are required to disclose any links they have with local firms (or national firms if relevant) that provide services to schools.

All staff and governors are required to disclose any interest as soon as they are aware of the link.

The register is available for inspection in the school office.

The Register of Pecuniary Interest can be found in **Appendix 4** together with the individual Declaration of Pecuniary Interest Form. This is completed annually and presented to the Full Governing Body

## **9. School Improvement Plans & Budgets**

The senior management of the school produce, annually, a School Development Plan (SDP). The aim of this plan is to develop a strategy for improvement in all aspects of the school.



The Governing Body reviews the SDP in the Autumn Term and should then aim to produce the annual budget that supports this plan.

The annual budget process must be complete before ***the start of the new financial year***. The school is guided by the deadlines set by the LA.

The school management and the Governing Body also abide by the processes and procedures within this document. Reporting of the budget to the LA is done in the required format.

The school always aims to produce a balanced budget with the approval of the Governing Body.

## **10. Budget Monitoring and Adjustments**

The Head Teacher, Business Manager and the School Finance secretary monitor expenditure against the budget on a monthly basis. An emailed report is then sent to Governors. The Head Teacher will present a report on the budget position to the **Governing Body** ***each term***. The meetings of the Resources and Personnel Committee are timed to support the planning process and are shown on the timetable in Appendix 1.

Any material variances in expenditure are reported to the **Governing Body** as soon as they are noted.

In the management of the budget, there is on occasions a need to transfer budgets with changing priorities. All such budget adjustments or virements are recorded and must be authorised before being exercised. A record of any such changes is kept and shown to governors at Resources committee meetings.

Virements from the Capital Budget to the Revenue Budget are not allowed. Virements from revenue to capital are only carried out with approval of the LA

## **11. Internal Financial Control and Data Security**

All duties and financial procedures are in line with the LA regulations as documented in the Financial Regulations for Schools.

All schools are subject to and must cooperate with the internal audit regime determined by the Head of Finance and the LGSS: Director of law, property and governance and the external audit regime, as determined by the LA's external auditors.

Staff members are properly trained in the financial systems and procedures. **Governing Body** undertakes regular reviews of training needs.

There are cover arrangements in place for key financial staff and management. These arrangements include the performance of key tasks and the transfer of responsibility during the period of cover.

Transactional control is supported by systems that include segregation of duties wherever possible:

- At least 2 people are involved, creating separation in the ordering of goods/services and authorisation of payment.
- Where possible, the duty of calculating, checking and recording of money is separated from duty of collecting and paying out money.
- Any alterations to original documents (such as cheques, invoices and orders) are made in permanent form. The use of correcting fluid and the erasure of information is not acceptable. Any alterations are properly and clearly initialled and dated. Where alterations are made early in the cycle of duty, all authorisations after the alteration must confirm note of the alteration.
- All financial transactions are traceable from the original documentation to accounting records both at school and local authority level and vice versa with all checks being carried out on documents being recorded.
- Financial records are kept properly and securely in accordance with the requirements of the LA regulations.

## 12. Computer Systems

Control and security of data is maintained within the parameters of the Data Protection Act as well as the Freedom of Information Act.

As such access to financial and operational systems is carefully controlled. The Access rights on the **school's** financial systems (**BROMCOM** and **SBS**) are shown in **Appendix 6**. These access rights also support the Scheme of Delegation.

The Head Teacher ensures adequate separation of duties between personnel entering and authorising data on the computer system is in place.

The **Head Teacher** ensures that only authorised software is used in order to prevent the importing of computer viruses. Virus checking software is also used.

Passwords are changed regularly and only known to the password holders. The System Manager has access rights to reset passwords for staff. Main system passwords are kept in the school safe.

There are set backup processes set up in the system.

System backups are managed remotely by **Irvine Knight** who back up daily and report to the School if there are any problems.

The curriculum network backup is managed by the **Irvine Knight** staff.

### 13. Purchasing

The school follows the purchasing guidelines as documented in the **Financial Regulations for Schools, Section 13**.

Any Capital expenditure also follows these guidelines as well as those shown in **Section 6, Financial Regulations for Schools**.

Financial expenditure quotation limits set with the Financial Regulations are also shown in **Appendix 7**.

The **School Finance Secretary** carries out an update of the Accounts Payable System in **BROMCOM**. In order to ensure segregation of duties the **School Finance Secretary** is not involved in the checking of Orders received.

Approval of invoices is carried out in accordance to the authority granted within the **Scheme of Delegation (Appendix 3)**.

Payment of invoices is made using cheques or BACS.

#### **BACS (Bankers' Automated Clearing Services) payments**

The school wherever possible has moved to online payments to suppliers to reduce time and paper usage in the school.

#### **System for using BACS:**

- Invoices are entered onto **BROMCOM** Finance System by the School Finance Secretary
- ~~Authorised invoices~~ Invoices are individually checked and authorised by the School Business Manager
- The Finance Secretary imports the BACS payment into the Natwest system and submits the Bromcom report, NatWest report and a link to all of the invoices to the Head Teacher to spot check and ensure the two reports match,
- The Head Teacher authorises the payment on the NatWest system.
- Remittance advice slips are then emailed to the supplier.

### 14. Leasing Arrangements

The school does not enter into Finance Leases.

The school will only enter into an Operating Lease with express approval from the **Governing Body**

### 15. Income Management and Banking

Other than the delegated budget, the school collects income from the following sources:

Pupils	- for school trips
Pupils	- as funding-raising donations
Parents Associations	- for specific funding of projects
Customers	- for hire of school premises

All income collection is accounted for within the school office.

A record is kept for each type of income and where required (lettings) an invoice is presented to the hirer.

Money collected is banked promptly and at least **once a month due to the low levels**. Income relating to the school budget is banked in the school's budget bank account.

The school will be using Natwest.

Reconciliation of bank accounts to **BROMCOM** is carried out at least monthly. Copies of the reconciliations are sent to the LA each month.

### **16. Petty Cash**

The school does not hold any petty cash.

### **17. Lettings**

The school lets out its facilities and related equipment to the public outside school hours.

A charging scheme is operated that also outlines the facilities available for hire and the terms and conditions of hire. See Lettings Policy.

The Governing Body reviews scales of charge annually to ensure the income is maximised.

The insurance and security arrangements are also reviewed annually to ensure there is adequate protection for both the school and the hirer.

### **18. Inventory & Assets**

The school maintains an Inventory Register based on the Inventory Control Policy provided by the LEA. The register is recorded in electronic format in **SmartLog**

The **Business Manager, School Finance Secretary, together with the Site Manager** is responsible for the maintenance of this register.

The Inventory is reviewed and checked annually (**usually in November/December**). The findings of this annual inventory check are reported to the **Governing Body** highlighting the condition of assets and also missing items.

The Inventory Policy is shown in **Appendix 8**.

### **19. Personnel, Salaries & Wages**

The school uses the **EPM Payroll Service**. All information regarding staffing is provided to the service to ensure the correct processing of individual pay.

Payroll is authorised by the Head Teacher and must be correct compared to the school staff spreadsheet. Any allowances or deductions must be authorised and properly accounted for and any payments are within budget. Payroll validation reports must be signed off each

month prior to the payroll payment run. Governors must perform monitoring to ensure that payroll procedures are being operated in accordance with current local and statutory guidance and financial regulations. These checks must be documented and supporting evidence retained.

The School Business Manager (SBM) reviews overtime claims and prepares a submission for the Finance Secretary to upload to the EPM portal. When the costings report is available, the SBM imports the data to the budget system and produces a report for the Head Teacher, explaining any variances. Once the Head Teacher is satisfied that the submissions and any variances are correct, the Head Teacher authorises payroll on the EPM portal.

Authorisation of additional payments outside normal contractual payments are made in accordance to delegated powers.

Payment of incidental expenses are made in line with the guidelines set by the LEA and as documented in the Financial Regulations for Schools.

## 20. Insurance

Insurance cover is provided *through the Zurich*. The **Head Teacher** ensures that insurance cover is commensurate with the risks associated with the school. There should be no more than £2000 in the school safe (School prefers a maximum of £2000) as a combination of cash and cheques to ensure adequate insurance cover.

In the Spring Term of each year, The **Governing Body** considers whether there are any additional risks (not covered by the LA) that should be insured.

The **Head Teacher** is responsible for:

Notifying the insurers/LA of any new risks (new property, equipment).

Ensuring that the indemnity is not given to any third party without the written consent of the insurers.

Informing the insurers immediately of all relevant matters (losses or other incidents).

Ensuring that cover includes school property (such as musical instruments and computers) when off the premises.

Maintaining a check to ensure that claims are processed within the required period.

Ensuring that the police are informed of all claims where this is a requirement of the insurance.

## 21. Conduct, Bribery & Corruption

All staff, governors, pupils and parents are encouraged to report any acts they consider to be improper and or illegal.

The School's "Whistle blowing" policy is used as the vehicle for reporting such acts or actions. Staff and governors are regularly reminded of the availability of this policy and a note to this effect is on the Pecuniary Interest form.

The school follows the 'Local Authority's Anti-fraud and corruption policy'.

## **22. Credit/Charge Card – not currently**

The school holds a Royal Bank of Scotland credit card.

There is a maximum limit of £1000 per month and the card is used for Internet and other purchases, where payment by Credit Card will achieve Best Value.

The card is locked in the safe between uses.

The Head teacher is responsible for ensuring all staff assigned a procurement card are operating procedures such that:

- Cards are safeguarded from theft and misuse
- Expenditure incurred through the use of cards is bona-fide, lawful and in accordance with the requirement of the service
- Expenditure is within budget limits
- Monthly checks are carried out on card use including supporting documents and authorisation to use the card for all transactions

## **23. Debt Recovery**

Every effort will be made to ensure recovery of debt. Where exhaustive efforts have not resulted in recovery of debt, the Head Teacher can approve write off of Bad Debts up to the value of £100.

The Resources Committee can approve write-offs of up to £250.

The Governing Body approves write off above this value with consultation with the Education Finance Manager of the LEA.

## **24. Review Process**

The **Governing Body** reviews the contents of this policy annually and usually in the Spring Term.

The review considers any changes to associated publications such as the Financial Regulations for Schools issued by the LA and ensures the policy complies with any such changes. The review considers changes to the structure and members of the Governing Body and the School Staff. Any changes in responsibilities are also recorded and updated in the policy or related procedures.

Where elements of policy no longer apply, these are removed from the documentation. The Resources Committee then recommends the adoption of the revised policy to the full Governing Body.

# Appendices

## Appendix 1 – Timetable of Events

### AGENDA ITEMS

#### Autumn Term

Resources and Personnel
Review of staff pay
Termly monitoring of budget / approval of quotes
Review Out turn Statements & Benchmarking
Update Pecuniary Interest file
Site Inspection (H&S items)
Policies as per Terms of Reference
Insurance statement and guide
Review insurances
Performance licenses and copyright licence

#### Spring Term

Resources and Personnel
Review Lettings Fees for September prior to setting budget
Termly monitoring of budget / approval of quotes
Review Annual Inventory
Agree school budget
Policies as per Terms of Reference
Site Inspection (H&S items)
Scheme for Financing Schools
Corporate Requirements
Asset Management plan for Budget build

#### Summer Term

Resources and Personnel
Termly monitoring of budget / approval of quotes
Review Finance Policy for recommendation to FGB in September
Training Needs Review
Review Insurance
Policies as per Terms of Reference
Contract Regulations

## Appendix 3 – Scheme of Delegation

The Governing Body delegates its responsibilities to the staff to manage the day-to-day operation of the school.

The scheme of Delegation covers the following areas:

- Bank / Cheques Payments
- Expenditure Limits – Ordering
- Receiving Goods and Services
- Expenditure Limits – Authorising payment
- Lease Agreements
- Virements and Budget adjustments
- Write off of Bad Debts
- Inventory Disposal up to £500
- Staff Expenses
- Payroll (this is managed by EPM our HR provider)

Any payment in excess of **£20,000** is recorded at the meetings of the Full Governing Body.

## Appendix 4

### SCHEDULE OF DELEGATED AUTHORITY

ACTION	RESPONSIBILITY	FINANCIAL LIMIT/REPORTING ARRANGEMENTS
<del>SIGNING CHEQUES</del>	<del>Head Teachers / Assistant Head Teacher</del>	<del>Requires 2 out of 3 signatories</del>
AUTHORISING ORDERS OF GOODS OR SERVICES	Head Teacher	Staff can request goods and services but must be authorised by HT
APPROVING BUDGET VIREMENTS	Head Teacher / Finance Advisor	Advised of budget virements on Funding Statement
COMMUNICATING WITH BANK	Head Teacher / Finance Secretary/ Business Manager	Authorised people as per bank mandate
AUTHORISING PAYMENTS	Head Teacher	Signed Requisition Form & Delivery Note submitted
RECEIVING GOODS	Office Staff / Site Manager	Checked by person other than Finance Secretary who has raised the order
AUTHORISING TIMESHEETS	Head Teacher	Provided by <b>SBM</b>
PAYROLL (& OVERTIME)	Head Teacher	Authorised with EPM
AUTHORISATION OF SYSTEM USERS	Head Teacher	Reviewed by HT
ACCOUNTING SYSTEM/SYSTEM MANAGER	<b>SBM, Irvine Knight</b>	After authorisation from HT
COMPLETION OF BANK RECONCILIATION	Finance Secretary	System checked
MAINTENANCE OF INVENTORY	Site Manager /	To be set up & maintained, and then report to <b>Governing Body</b>



	<b>Finance Secretary/ Business Manager</b>	
<b>DISPOSAL OF ASSETS</b>	<b>Head Teacher</b>	<b>Submission of relevant documentation to be authorised by HT</b>
<b>AUTHORISING JOURNALS</b>	<b>Head Teacher</b>	<b>Budget adjustment &amp; Ledger balance adjustment forms authorised by HT</b>
<b>PAYING INTO BANK</b>	<b>Finance Secretary</b>	<b>At Least Monthly</b>
<b>CREDIT CARD</b>	<b>Head Teachers</b>	<b>Authorised Requisition Form</b>

No one person can order goods / services and authorise the related invoice  
No one person can order goods / services and sign the cheque for the payment of that order.  
The payment of the invoices is in accordance with the cheque signatory limits.  
It is the aim of the school to ensure that, wherever possible, staff that process financial transactions are not involved in the approval process.

**Expenditure Limits – Tendering Process**

All purchasing follows the guidelines as described within the Finance Policy of the School.

**Lease Agreements**

Any equipment to be acquired under a leasing arrangement is be approved by the full Resources Committee as well as the Education Finance Manager at the LA.

The school does not enter into any Financing Leases.

**Inventory Disposal**

Disposal of inventory is conducted in line with the Inventory Control Process as shown in Appendix 8.

**Appendix 5 – Governor Declaration of Pecuniary Interests Form**

Governors and Head Teachers are required to declare any business interests which they or any member of their immediate family have by completing this form and returning it to the Head Teacher for information to be published on the school website. Nil returns must also be signed and returned to the clerk. Any changes in the information supplied should be notified to the Head Teacher immediately as the Register and school website must be kept up-to-date.

School
--------

Name (please print)
---------------------

I have the following business interest(s)		
Firm/Company/Organisation	Product/Supplies/Services	Position Held

I am a governor at other schools or education establishments
--

School or Education Establishment	Position Held

I have the following relationship with other governors or staff		
Name	Relationship	Their Position in School

Or

I have no business interest to declare (please tick)
--

I agree to this information being available on the school website
Date <span style="float: right;">Signed</span>

**Notes:** A governor or spouse who is an employee of a company would be regarded as having a business interest in that company.

## Appendix 6 – Budget Virements Monitoring & Authority Schedule

The school maintains a record of all budget virements.

These are recorded in a manual schedule in one of two ways:

- Virements made between budget lines of income / expenditure
- Virements made between cost centres

A hard copy of the schedule is signed by the authorising manager and held with any supporting documentation in the Budget Adjustment Folder in the Finance Office.

The excel file is called ***Budget Virements Schedule***

## Appendix 6 – ***BROMCOM*** Access & Control (Finance Modules Only)

Access rights are divided into categories that follow the tasks performed on the system. These categories are:

- Supervisor
- Supervisor Defined
- Enter and Authorise
- Authorise Only
- Enter Only
- Read Only
- No Access  
(Used for people no longer allowed access to the system e.g. past employees)

The level of access to the system granted to staff is based on the tasks each of them needs to perform.

The school aims to segregate system duties so as to prevent a single person performing entries and authorising and initiating payments. However, there are some occasions where this is not possible.

The Table below shows the access rights of all members of staff that use ***BROMCOM*** (Finance Modules only).

***The Head Teacher*** controls the System Manager Access.

Level of Access	Name	Position
Supervisor	Gail Harrison	School Secretary
Supervisor Defined		
Enter & Authorise	Wendy Whistler Amy Ridsdale	Business Manager Finance Secretary
Authorise Only		
Enter Only		
Read Only		

**APPENDIX 7**

**Summary of Financial Thresholds**

<b>Value</b>	<b>Procedure</b>	<b>Decision By</b>
Up to £5,000	<b>One oral quote (confirmation in writing should be sought if over £500).</b>	Staff member with appropriate authority <b>Budget holder / Headteacher able to authorise up to £5,000</b>
£5,001-£30,000	<b>Three written quotes to a purchaser specification.</b>	Staff member with appropriate authority <b>HT authorised to approve orders up to £30,000 – orders between £30,001 - £50,000 to be approved by Resources Committee.</b> <b>Orders above £50,001 need Full Governing Body approval.</b>
£30,001-£75,000	<b>Formal Invitation to Tender, including specification (and normally the contract conditions) to at least four Candidates.</b> <b>See Para 5.5 of Contract Regulations regarding requirements for advertising, any pre selected candidates must be approved by Governing Body.</b>	Two post holders with appropriate authority, one being at least the Head Teacher. <b>HT authorised to approve orders up to £30,000 – orders between £30,001 - £50,000 to be approved by Resources Committee.</b> <b>Orders above £50,001 need Full Governing Body approval.</b>
£75,000 - £155,999	<b>Formal Invitation to Tender, as above, to 4 Candidates.</b> <b>Selection of Candidates after advertisement - (See Para 5.5 of Contract Regulations)</b>	Two post holders with appropriate authority, e.g. Head Teacher and Chair of Governors. (This is undertaken at the full Governing Body meeting). <b>Orders above £50,001 need Full Governing Body approval.</b>
Above £156,000 and EU rules apply	<b>Full EU advertised competitive tender process</b> 3 Tenders	A Project team reporting to the Chair of Governors and including appropriate specialists e.g. legal finance, procurement, health & safety <b>Orders above £50,001 need Full Governing Body approval.</b>
Above £156,000 and EU rules do <b>not</b> apply	<b>Full advertised 2-stage competitive process</b> 3 Tenders	A Project team reporting to the Chair of Governors and including appropriate specialists e.g. legal, finance, procurement, health & safety <b>Orders above £50,001 need Full Governing Body approval.</b>

1. Thresholds are compulsory.
2. Values exclude VAT
3. Values are TOTAL values (NOT annual values e.g. 3 years at £5,000 per annum is £15,000, which requires 3 written quotations).
4. Requirements are MINIMUM requirements. E.g. to obtain three written quotes, you may need to seek 5 or 6. In appropriate cases to demonstrate value for money you may consider following the procedure for a higher value contract.
5. Values are to be aggregated e.g. if you have a recurring need on an annual basis for supplies.
6. It is a breach of Contract Procedure Rules to deliberately divide up contracts to avoid these rules.
7. Make a reasonably accurate estimate of the total purchasing requirement/whole life costing/financial implications, e.g. including ongoing maintenance and support costs. If variable factors are such that an accurate estimate cannot be made then further information should be acquired before starting the procurement process.
8. The valuation should include the value of possible contract extensions and possible additional options.
9. You must have adequate budget provision.



## Appendix 8 – Inventory Policy

# Inventory Control – using BROCOM Equipment Register

### 1.0 Purpose of an Inventory

- 1.1 An inventory must be maintained to ensure that the school has a detailed record of all the equipment of which it has custody.
- 1.2 The reason for maintaining such a register is to correctly record all items of value held. Also, in the case of fire or theft, there would be a record showing exactly what has been “lost” together with its cost, identifying serial numbers etc. This would assist in either an insurance claim and/or a Police investigation.

### 2.0 Responsibility for keeping inventories.

- 2.1 The Governing Body maintains the responsibility for this Inventory Control Process. Day to day management is delegated to the **Head Teacher**, the **School Finance Secretary**, the **Business Manager** and the **Site Manager(s)**. The responsible officer is to ensure the policy and procedures are followed and will report to the Governing Body or its Resources Committee on a regular basis as detailed within this policy. The Governing Body must approve any further delegation of the duties covered in this policy.
- 2.2 Responsibilities within our school are shown under each part of the control process detailed in the following sections.
- 2.3 When, a responsible officer leaves the school, the responsibilities will automatically transfer to the new post holder. Where there is a gap in recruitment, the Head Teacher will nominate a temporary responsible officer. If the person is not being replaced, the Head Teacher will ensure that the responsibilities are transferred to another member of staff without delay.

### 3.0 Process – Purchase of Inventory

- 3.1 All purchases of inventory must follow the Procurement process and rules as documented in the School’s Finance Policy and be consistent with purchasing guidelines in Cambridgeshire Financial Regulations for Schools.
- 3.2 Additional approvals if required must be sought in writing before purchase of such items.
- 3.3 Where purchase of upgraded equipment or replacement items make existing assets redundant or obsolete, disposing of the asset follows the guidelines set out in Section 8.
- 3.4 The **Site Manager(s)** hold(s) the responsibility of ensuring the correct process is followed.
- 3.5 The **School Finance Secretary** will ensure that all schedules are kept up to date.

#### 4.0 Items to be recorded

- 4.1 Generally, items of equipment, tools and furniture with a value over **£250** are recorded on the Inventory Register. However, the register contains items below this value that are considered “desirable” and may be open for theft or damage.
- 4.2 Furniture included in the register has an individual value in excess of **£250**.
- 4.3 Detailed recording of tables, desks and chairs are not kept however, a separate record is maintained for the average number of tables, desks, chairs that are in each room for the purposes of insurance.
- 4.4 The table below shows the items recorded on the School’s Inventory Register. The list is regularly amended to include any items purchased and inclusion on the inventory register is deemed necessary.

Office	Premises	Classroom
<i>IT Equipment</i>	<i>Gardening Tools</i>	<i>IT Equipment</i>
<i>Photocopiers</i>		<i>Audio Visual Equipment</i>
		<i>Interactive White Boards</i>
		<i>OHPs</i>
		<i>Gym Equipment</i>
		<i>Musical Instruments</i>

- 4.5 The responsibility of determining which items should be recorded on the Inventory Register lies with ***the Head Teacher***.

#### 5.0 Details to be recorded

- 5.1 The inventory may be held as a computer record or manual document. If a manual document is held all entries must be in ink. In either case the record should be retained in an appropriate place with one copy off-site or retrieval by computer from another site.

Details	Costs	Disposal Detail	Inventory Checks
Equipment No	Supplier	Date of Disposal	Date of Check
Description	Unit Cost	Method of Disposal	Condition of Asset
Serial Number	Quantity	Reason for Disposal	Location of Asset
Model	Invoice No	Authority Given	
Category	Invoice Date		
Holder	Gross Value		
Location	VAT		
Security Marking	Net Value		
Support Contract			
Insurance Policy Detail			

Anticipated Replacement Date			
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5.2 The attached inventory register is prepared in Excel format that holds detail of the descriptions, locations, cost and condition of assets held by the school. Details of disposal if applicable, are also recorded. This is summarised as follows:



- 5.3 The information entered into the description box is as comprehensive as possible.
- 5.4 Where available a unique identifier or serial number is recorded in the relevant box.
- 5.5 When a new item is purchased all details of description, identification and purchase are recorded in the appropriate boxes in the Additions section.
- 5.6 When items are disposed, lost, stolen, these details are recorded in the Disposals section (See Section 7 – Disposal & Write Off).
- 5.7 At least termly, the “Current” register is updated to include all additions as recorded in the Additions section and all disposals are removed from the current list to the disposals listing.
- 5.8 When Inventory checks are carried out, details on the condition of assets are also recorded. (See Section 6 – Inventory checks).
- 5.9 Further guidance on what should be entered on this register is shown within the Excel File.
- 5.10 The responsibility of adding all new purchases on the register rests with the **School Finance Secretary**.

## **6.0 Inventory Checks**

- 6.1 At least annually, and usually in the month of November, a physical check on inventory is conducted.
- 6.2 All items recorded in the register checked for location and condition.
- 6.3 The Check is also used to identify items that may have been missed off the original register.
- 6.4 Where the condition of assets has deteriorated, it is noted for repair, disposal and/or replacement.
- 6.5 Where assets are no longer used and are considered to be obsolete, this is reported to Management and decisions made for disposal.
- 6.6 **The School Finance Secretary** controls the process of Inventory Checks. The current inventory list is sub-divided and given to staff responsible for conducting as the checklist of inventory items.
- 6.7 **The Site Manager** conducts checks for Classroom inventory.
- 6.8 **The Site Manager** conducts the checks for all General Inventory.
- 6.9 **The School Finance Secretary** conducts the checks for all office equipment.
- 6.10 **The Site Manager** conducts the checks for all computer equipment.

- 6.11 The individual that conducts the check signs inventory Check schedules, these are attached to the signed **Declaration of Inventory Check**.
- 6.12 **The School Finance Secretary** is responsible for consolidating the various inventory checks.
- 6.13 **The School Finance Secretary** will prepare a report on the findings of the inventory checks that is presented to **the Resources Committee**.
- 6.14 **The Resources Committee / Governing Body** will use the information to make decisions on disposals, replacements, security of assets.

## **7.0 Security of Assets**

- 7.1 All valuable equipment (attractive to thieves or easy to remove) is security marked with the name of the school and postcode, wherever possible in a highly visible manner to detect theft. However, care is taken not to reduce any resale value of the assets. Sticky labels are not sufficient as these can be removed.
- 7.2 All easily removable items, e.g. laptops and audio-visual equipment, are locked away securely when not in use.
- 7.3 **The School Finance Secretary** maintains a log of all equipment loaned out to staff, especially if the equipment is to be taken off site. (See the Equipment On Loan Log attached) Staff using the loan facility agree to ensure the security and safe usage of the equipment whilst in their possession.
- 7.4 Staff with school equipment on loan must ensure the security and safekeeping of the equipment whilst in their possession and as such accept the responsibility at the time of the loan.
- 7.5 Any equipment loaned out for personal use is not covered by the school's Insurance policy and as such will not be loaned unless adequate insurance cover is provided.
- 7.6 Any leased equipment is not marked without first referring to the leasing contract/company.
- 7.7 The **Site Manager** is responsible for ensuring all Premises related equipment is security marked.
- 7.8 The **School Finance Secretary** is responsible for ensuring office related assets are security marked and stored securely.
- 7.9 All Classroom equipment is security marked by the **Site Manager** on receipt of goods.
- 7.10 **All teachers and staff** are responsible for ensuring equipment used by them is correctly and securely stored when not in use.
- 7.11 **Staff sign for their laptops.**

## 8.0 Disposal Policy

8.1 Assets are disposed only if they no longer have any use to the school. Inventory is not generally used to generate a profit by sale. However, sale of redundant assets is carried out.

8.2 The table below shows the reasons for disposal and the methods of disposal used by the school:

Reasons for Disposal	Method of Disposal
Obsolete – No longer used	Destroyed
Damaged Beyond Repair	Donation
Upgraded Equipment Purchased	Offered for Sale
Faulty & Uneconomical to repair	Confidential Disposal
Theft	Stolen
Fire Damage	Scrap
Missing (Presumed Lost/Stolen)	Lost / Missing

8.3 When Items are to be disposed, authority to dispose is sought from Management who have the appropriate delegation. This is in line with the original purchase price of the asset or its replacement value. **The Authority to Dispose / Write Off Inventory Form** is used (See Attached).

8.4 The authorising manager has a higher delegated power than the person who has decided to dispose of an asset.

8.5 The authorising manager checks that the asset is disposed in the most appropriate method.

8.6 In the case of disposal of computer equipment that may contain confidential school information, disposal involves the security deletion of data from the memory. This is done prior to disposal by sale or donation. Ideally, such assets are destroyed.

8.7 Items sold are supported by a Sales VAT Invoice.

8.8 When items with an original value exceeding £50, are either sold or donated, the Resource Committee is consulted prior to the transaction.

8.9 When items of inventory are disposed, the disposal is recorded on the Current Inventory list.

8.10 At least termly, all items disposed are removed from the current list and recorded on the Disposals list.

8.11 The Finance Secretary controls the process of disposal and reports all disposals to the Resources Committee at least termly.

## 9.0 Inspection

9.1 The inventory must be made available for inspection as required by the Internal Audit Service to Schools.

## **10.0 Reporting**

10.1 The **School Finance Secretary** reports at least annually to the Governing Body. This report is prepared after the Inventory Check. The report is structured to include the following:

- Missing Inventory
- Condition of Assets and damaged items
- Security of Assets
- Items considered obsolete
- Items for disposal
- Assessment of when items will need replacing

10.2 The **Head Teacher** reviews the report before it is presented to the Governing Body and signs the **Annual Inventory Check Process Declaration**.

10.3 The Governing Body will use the report to plan future Inventory Control.

10.4 If assets are damaged, involved in accidents, lost or stolen and are essential for running of the school, the Head Teacher will contact the Chair of Governors and advise what action is to be taken.

10.5 Decisions made in these situations are documented and countersigned by the staff making the decision and the Chair of Governors.

**Appendix 9 – Disposal form**

**Authority to Dispose / Write Off Inventory**

**Reference No.:**

**Requester**

Name	Position	Date	Signed

**Asset Details**

Equipment No	Description	Serial Number
Purchase Value		Location

**Reason for Disposal**

Obsolete	Damaged beyond Repair	Upgraded	Uneconomical to Repair
Theft	Fire Damage	Missing (Lost)	Other (Specify)

Replacement	Insurance
Is this item to be replaced (Y/N)	Is this covered by Insurance (Y/N)
Is Replacement budgeted (Y/N)	If yes, has a claim been lodged (Y.N)
If not Budget how is it being financed?	Claim Reference

**Authority**

Name	Position	Date	Signed

The Authoriser must have delegated powers in excess of the value of the asset being disposed.

The Authoriser must hold a more senior position to the requester.

**Once authorised, the disposal must be recorded on the Inventory Register**

## Declaration of Inventory Check

I certify that I have carried out a check and count of inventory as requested by \_\_\_\_\_

I have used the inventory list given to me and have reported all discrepancies as requested.

Name: \_\_\_\_\_

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

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

Inventory Sheets are attached

## Annual Inventory Check Process Management Declaration

I certify that the school's inventory has been checked by \_\_\_\_\_

All check lists are attached and I am satisfied that all discrepancies have been investigated.

A report has been presented to the Governing Body / Resources Committee for formal approval.

Name: \_\_\_\_\_ (Head Teacher)

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

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

Certified By

Name: \_\_\_\_\_ (Governor)

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

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

## Appendix 10 – Equipment on loan log

### Equipment on Loan Log

Equipment Description	Equipment Number	Loaned to	On Site / Of Site	Date Out	Date Returned	Signed out	Signe d on Return

#### Terms and Conditions

Staff using equipment from the central store must ensure:

- The equipment is kept as secure as possible during use
- The Equipment must not be used to perform or support any inappropriate activity that may bring the school and the LEA's name into disrepute.

Any damage is reported to the **Head Teacher** as soon as possible. If the damage is considered to be as a result of negligence, the member of staff may be required to compensate the school accordingly.

# Flow Chart

## Steps that need including when creating your process document for 3 Day Payment

