

Croscombe and Stoke Primary Schools Federation Finance Policy

(December 2017)

**Approved by the Governing Body on 3 December 2017
Updated with new signatories 11 June 2018**

Chair of Governors

Date

Proposed Date of Future Review: December 2019

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INTRODUCTION

The Finance Policy has been adapted to reflect the individual needs of Croscombe and Stoke St Michael primary schools and includes specific information relating to procedures and tasks performed in the school.

The Finance Policy is a working document and will be updated to meet any changes, such as staff changes.

The policy will be approved by the Governing Body and will be reviewed at least every two years. Both the approval of the Finance Policy and the date of the future review will be recorded in the Minutes of the Governing Body Meeting.

The Finance Policy is used in conjunction with:

The Financial Management Scheme (FMS)

The Scheme sets out the financial relationship between Somerset County Council (SCC) and the maintained schools which it funds. (Somerset County Council is the Local Authority (LA)). The Scheme contains requirements relating to financial management and associated issues and is binding on both the LA and on schools through their respective Governing Bodies.

Somerset iPost ID945 Link:

<https://slp.somerset.gov.uk/somersetipost/iPost Documents/Financial Management Scheme 12.13 FINAL VERSION 2 Updated June>

Financial Guidance issued by Education Financial Services

This includes:

- Financial Guidance – Day to Day Operations
- Financial Guidance – Budget Planning
- Financial Guidance – Reconciliation
- Financial Guidance – Reports
- Financial Guidance – Income
- Financial Guidance – Petty Cash
- Financial Guidance – Unofficial School Funds
- School Leasing

SECTION 1 - ORGANISATION AND ACCOUNTABILITY

Responsibilities of the Governing Body

- It is expected that each member of the Governing Body will have completed an induction course for Governors and be aware of policies for schools
- Responsible for the well being and control of staff (Whole School Pay Policy).
- Responsible for security, custody and control of resources of the school (plant, buildings, materials, cash, stocks). **Refer to the Financial Management Scheme: Section 11 – Premises Issues, regarding annual property maintenance conditions statement to be submitted to LA.**
- Must comply with responsibility in relation to Health and Safety. **See new chapter of Financial Management Scheme: Section 12 – Health and Safety.**
- May incur expenditure up to the total of the delegated budget share of the school after allowing for the carry forward.
- Ensuring that adequate financial procedures and controls exist to minimise the risk of loss, wastage or misappropriation and also to satisfy official requirements relating to VAT, Income Tax, NI, Construction Industry Tax etc.
- Governors may delegate any of these powers to a Committee or Headteacher. **The Governing Body must determine, review and approve the constitution, membership and Terms of Reference (TOR) of any Committee annually.** Committee minutes/reports are submitted regularly and documented in Full Governing Body minutes.
- Governors have the power to limit the delegated powers of the Headteacher if it is considered to be necessary.
- Register of Business Interests is reviewed annually to ensure it is up to date and current declarations held. Register to be available in school for scrutiny. Staff and Governors must withdraw from meetings where he or she (or a family member) has a financial interest in any matter under consideration.
- Responsible for setting the de minimis level for capital expenditure.
- By 30 June, Governors must have formally approved the school's budget plan, taking into account such things as current spending, priorities in the School Development Plan (SDP), future commitments, pupil numbers etc. Details of the budget plan must be sent to Education Financial Services, with the assumptions underpinning it.
- Monitor the budget at least twice a year as presented by the Finance Committee ensuring full details of any variances, budget movements, and remedial plans have been documented.
- Responsible for ensuring that school accounts are accurately reflected in the County Council Statement of Accounts by making arrangements for compliance with guidance produced by the Local Authority.

- Approving at least three authorised signatories (including Headteacher) to cover for absence. A Governor can only sign as a second signatory.
- Ensuring that an up-to-date inventory is maintained for items with a replacement cost of £100 or more and an expected life of at least one year. Ensuring that the inventory is checked against the items at least annually. Discrepancies are reported to Governors to investigate. Keeping a record of write-offs.
- Nominating an independent person to audit the unofficial fund at least annually.
- Money may only be borrowed with written permission of the Secretary of State. This does not apply to Trustees and Foundations (see Sections 3.4.1 and 3.4.2 of the Financial Management Scheme).
- Approving the write-off of debts.

Responsibilities of the Finance Committee

The Governing Body has delegated to the Finance Committee the following responsibilities:

- The drafting and recommendation to the Governing Body of the annual budget.
- The monitoring of the budget, expenditure and income.
- Ensuring expenditure does not exceed the available budget.
- Authorising, in advance, virements exceeding £1,000, a figure agreed by full Governing Body. (See [Section 3 - Virements](#)) A member of the finance committee or the Chair of Governors is empowered to authorise virements that have been recommended by sub committees by signing the virement form in advance of money being moved. Virements are then reported in the next Finance Report.
- Authorising expenditure not covered by the cost centre headings in the original agreed budget, or incurred due to a change in policy and authorising the funding source for such expenditure. Details to be documented in Committee minutes and presented to Governing Body.
- Approving high level (exceeding £1,000) purchases and contracts prior to an order being placed.
- Ensuring that a full financial report is delivered to the Governing Body at least twice yearly - in the Autumn term and following the end of the financial year.
- Ensuring that a brief report is delivered the Governing Body at least once every term.
- Maintaining a Charging and Remissions Policy.
- Maintaining a Lettings Policy.
- Writing off or making provision for a bad debt subject to paragraphs 2.1.8 and 2.1.9 of the Financial Management Scheme.
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- Maintaining a Tendering Policy.
- Making decisions on the level of buy back of Support Services **whether from SCC or an external provider**, following consultation with the Chairperson of each Governor's Committee.
- Agree costings for the 3 Year School Development Plan.

Responsibilities of the Headteacher

The Governing Body has delegated the following responsibilities to the Headteacher:

- Leading and managing staff to secure improvement.
- The efficient and effective deployment of staff and resources.
- Accountability to Governors and others, such as parents, pupils, staff and the local community.
- Ensuring all reasonable action is taken to minimise risks.
- By 31 March each year, or within 30 days of the budget share being issued, the Head must prepare estimates of expenditure and income covering the next financial year for consideration and approval by the Governing Body.
- Ensuring that a monthly reconciliation between SIMS FMS and the County Council's Accounting System is carried out by the last working day of the month following the month of account. (Also bank reconciliation if Local Payments School.)
- Submitting a written report to Governors or Finance Committee at least termly on the progress of the budget, explaining variations from expected spend/income and advising on the likely final position.
- Informing the Service Manager – Schools Funding and Accountancy Team immediately if the school's budget looks as though it will be overspent at the end of the year by 5% or more with a proposed course of action to recover the deficit.
- Day to day management of the non-staffing budgets.
- Authorising virements below a level of £1,000, a figure agreed by the full Governing Body in advance. (See Section 3 - Virements)
- Reporting virements and journals to the Full Governing Body for their approval.
- Submitting a formal response to the Service Manager – Schools Funding and Accountancy Team within one month's receipt of an internal audit report. Ensuring that the Governing Body receives details of the final report and the school's responses.
- Responsibility for the identification of all income due, its prompt collection and banking, and the maintenance of complete and accurate records.

- Responsibility for ensuring that Value Added Tax (VAT) is treated correctly on all transactions. Also ensures that the school complies with VAT and other tax regulations and that all relevant finance and administrative staff are aware of them.
- Notifying the SCC Insurance Section immediately of all new, anticipated or changed risks requiring insurance.
- Notifying HR Admin and Payroll as soon as possible of all matters affecting staff payments.
- Authorising in advance any staff changes or additional paid hours to be worked by staff, to be notified at the next relevant Governors' meeting.
- Responsibility for controlling access to all data in the school in accordance with the Data Protection Guidelines and Codes of Practice.
- Signing of official orders.
- Submitting a signed copy of the annual leases return to the LA.

Responsibilities of the Senior Teacher

- Approving invoices when they agree to an official order
- In the absence of the Headteacher, undertakes the responsibilities of the Headteacher.

Responsibilities of the Finance Officer

- Assisting with the preparation of the school budget, setting expenditure thresholds and profiles.
- Ensuring that on receipt of approved order requisition forms, orders are processed for all planned expenditure except for supplies of public utility services and items purchased through petty cash of not more than £100 in value.
- Ensuring outstanding orders are reviewed regularly, cancelling or following up as necessary.
- Ensuring goods and services received are checked against delivery notes, orders and invoices and ensuring the school is charged only for goods received.
- Ensuring invoices are processed within one week of their receipt.
- Preparing cheques (Local Payment schools only).
- Ensures that petty cash is used for approved purposes and that receipts are collected, staff re-imbursed, manual records are kept and transactions are recorded on SIMS FMS in a timely manner. Arrange for the reimbursement of the Imprest bank account.

- Ensuring processes are in place for the collection and recording of income due/received. Ensuring all income due is received, recorded (on SIMS FMS) and that the income is banked.
- Ensure that effective action is taken to pursue non payment of debts within defined timescales.
- Monitoring the budget, providing information and/or financial reports for the Headteacher, Governors, LA and budget holders as required.
- Maintaining official funds and ensuring income is allocated to, and payments made from, the appropriate fund, with no mixing of funds.
- Ensuring processes are in place to maintain financial records for Unofficial Funds that they are audited by an independent person annually, and are reported to the Governing Body for their approval. Ensure that a certificate of the audit, the audit checklist and supporting information are submitted to the LA.
- Reconciling transactions between the County Council's Accounting System and SIMS FMS by the last working day of the month following the month of account.
- Providing the LA with staff contract changes and submitting payroll forms to ensure that additional staff payments are made promptly.
- Providing financial information as required by the LA.
- Carrying out end of year procedures for closing old year accounts in accordance with the timetable issued by Schools Funding and Accountancy Team.
- Maintaining an up to date inventory of school equipment.
- Ensuring adequate back ups are maintained of computer based information.

Responsibilities of the Secretary

- Maintaining unofficial funds and ensuring income is allocated to, and payments made from, the appropriate fund, with no mixing of funds.

SECTION 2 - INTERNAL FINANCIAL CONTROLS

Division of Duties

Division of Duties is the involvement of more than one member of staff in the undertaking of financial tasks. This is very important as it ensures that one person is not solely responsible for any given function and helps protect against possible error/fraud and ensures cover for staff absence.

No alterations are made to any invoices. If a change is required, the Finance Officer requests an amended invoice from the supplier.

Refer to [Appendix 3](#) which details Division of Duties for processes i.e. ordering, invoicing and petty cash including cover for absences. In the school all transactions are traceable through the system from start to finish. e.g. in order to achieve this for ordering and invoicing the following process has been added:-

- (1) Individual staff prepare orders on School requisition forms.
- (2) Budget Holder or Head signs this Proforma.
- (3) Finance Officer prepares orders on SIMS FMS.
- (4) Deputy signs orders.
- (5) Headteacher signs invoice for processing.
- (6) Finance Officer prepares invoices on SIMS FMS for invoice upload.
- (7) Prior to upload, Headteacher signs the batch header.

A minimum of two members of staff are required to ensure division of duties.

In small schools where no senior teacher is available it is recommended that the Chair of Governors conducts a periodic spot check to independently verify the legitimacy of expenditure. Evidence of spot check to be recorded.

Authorised Signatories

Authorised signatories have been agreed by Governors. A list of personnel authorised to sign orders, invoices, cheques, etc. is detailed in the minutes of the Governors' meeting at which they were agreed.

Reconciliation

Reconciliation is carried out by the Finance Officer on a monthly basis, by the last working day of the month following the month of account. The Headteacher checks the computer tabulation sheets for inappropriate transactions and signs to evidence the check. Form 10 (Reconciliation Balance Summary Form) is checked and signed by the Headteacher and retained by the school.

Records

- Financial and Personnel information needs to be retained for HM Revenue and Customs purposes. See [Appendix 2](#) for details. Documents are archived annually by the Finance Officer, as appropriate.
- A written log of any instances of fraud or theft detected in the last 12 months is kept in order to identify patterns of misconduct and any weaknesses in the current arrangements which need to be addressed.
- For expenditure including large purchases and contracts, the school should ensure that a formal written contract is in place, explaining the work performed and all outputs expected, the time period covered and rate chargeable. A copy of the contract should be retained by the school.

SECTION 3 - BUDGETING/FINANCIAL MANAGEMENT AND PLANNING

Funding

The majority of the funds received by school are delegated through the LA via the annual Individual Schools Budget Statement. This allocation is calculated using a formula based on many factors which affect the school's funding. Additional allocations or deductions may be made throughout the year. The school also has the opportunity to raise additional funds (income), e.g. via lettings or PTA organised events.

Preparation of the School Budget

Schools should ensure the priorities within the School Development Plan (SDP) contain accurate financial estimates and form the driving force of the budget with an emphasis on value for money. The budget is prepared by the Headteacher **linked to the SDP**. Initially, this will be considered by the Finance Committee prior to approval by the full Governing Body.

Any budget surplus or deficit is reviewed and addressed by the Finance Committee **referring back to the SDP**.

Budget Monitoring and Reporting

Regular monitoring of income and expenditure against the agreed budget is central to effective financial management.

After the monthly reconciliation between SIMS FMS and the County Council's Accounting System, budget monitoring reports detailing income and expenditure are produced for the Headteacher and budget holders.

The Headteacher analyses the monthly report to identify any variances/unexpected expenditure and takes appropriate action.

The monthly reconciliation report is presented regularly (at least once a term) to the Finance Committee. The report includes explanatory notes, details of budget movements, estimated outturn at the end of the financial year and any remedial action taken/required, or items requiring further discussion/approval.

If it is anticipated that the school may go into a deficit situation by the end of the financial year, the Headteacher will inform the **Service Manager – Schools Funding and Accountancy Team** immediately, with a proposed course of action to recover the deficit.

Carry forwards at the end of year will be discussed with the Finance Committee to decide how the uncommitted money will be spent.

Virements (Budget Movements)

The Governing Body has agreed that budget virements of up to £1,000 can be actioned, without its prior approval, to allow some flexibility within the everyday running of the school.

The Finance Committee is responsible for authorising, in advance, virements exceeding £1,000, a figure agreed by full Governing Body. A member of the finance committee or the Chair of Governors is empowered to authorise virements that have been recommended by sub committees by signing the virement form in advance of money being moved. Virements are then reported in the next Finance Report. (See [Section1financecommittee](#))

All budget virements are recorded on a virements form by the Finance Officer and authorised by the Headteacher in advance of being actioned on SIMS FMS. They are reported to the Governing Body at the next available opportunity.

Any internal journals (transfer of income or expenditure between Cost Centres) for significant amounts are printed and authorised by the Headteacher. They are reported to the Governing Body at the next available opportunity.

Forward Financial Planning

In light of estimated or known pupil changes, forward budget plans are projected and considered by the Governing Body. **These plans should be linked to the SDP for raising standards and attainment and should be costed to ensure there are sufficient available funds within the budget if implemented.** It is good practice for the school to plan over the medium term i.e. 3 years.

SECTION 4 - PURCHASING

Orders/Contracts are only entered into after ensuring that value for money principles have been followed. This includes investigating any available subsidies or discounts for activities, services and goods.

The de minimis level, above which a purchase is treated as capital expenditure is £500. Governors' approval is required for orders of an individual item exceeding £1,000 and this should be recorded in the minutes of the meeting.

Limits set should be reviewed regularly by the Governing Body and documented in the minutes.

Contracts

Any contracts must comply with the Local Governments Acts, EU regulations and other legislation governing the expenditure of public funds. Thresholds are reviewed regularly. **Schools are required to abide by the Council's Contract Standing Orders.** Refer to the Financial Management Scheme and EC Procurement Thresholds. The value of a contract is calculated as the amount per annum multiplied by the number of years duration. Different processes are required for different types of contracts and for different values.

For example:

If taking out a 3 year contract at £15,000 per year this would be worth £45,000 and would fall into the ***Request For Quotation (RFQ) process***. This process requires a written specification of what is required to be issued to prospective suppliers for them to quote against.

If taking out a 3 year contract at £50,000 per year this would be worth £150,000 and would fall into the ***Official Journal of the European Union (OJEU) tender process***. This requires a formal sealed bid procurement process that must comply fully with the requirements of the EU Consolidated Public Procurement Directive.

Where tenders are sought, the criteria to be used in the selection of the successful tender are established prior to advertising or receiving tenders. The Governing Body takes responsibility for the safe receipt, storage and opening of tenders where necessary.

A record is kept of how and from whom tenders are sought, what tenders are received, who the successful tender is and the reason for not accepting the lowest tender. A Contracts Register is maintained for this purpose.

As Guidance, for all purchases up to £25,000 in value, the following is required:

- Details of three prospective suppliers and a selection criteria
- Details of the pre-determined award criteria
- Three competitive quotes and supporting documentation
- Record of assessment of quotes and any correspondence

In all cases if the required number of quotes cannot be obtained and if the lowest quote is not accepted, the reasons are reported to the Governing Body and recorded in the minutes of the meeting.

Contracts for Goods and Services

For contracts of Goods and Services between £25,000 and £130,000 in value the **RFQ** process is used. Where a school enters into a contract for the supply of goods or services which involve total payments of **not more than £25,000** from the school's delegated budget, at least three written quotes must be sought. If a school is unable to obtain three written quotes, a waiver must be obtained. This can be done through the Strategic Manager, Adults and Childrens Finance (mjyoung@somerset.gov.uk) or the Service Manager, Schools Funding and Accountancy Team (SFAT) (kerushton@somerset.gov.uk). **For anything over £25,000 the full RFQ process must be followed.**

For contracts of Goods and Services above £130,000 the **OJEU** tender process is used.

Contracts for Works

- Contracts for works between £25,000 and £130,000 the **RFQ** process is used.
- Contracts for works above £130,000 to £3,750,000 the tender process **without OJEU Notice** is used.
- Contracts for works above £3,750,000 the **OJEU** tender process is used.

Where the school is engaging in works such as building or decorating where Construction Industry Tax (CIT) applies, the Business Manager ensures that the supplier is registered under the scheme before accepting them to carry out the work. Copies of all contracts entered into are retained by the school to enable compliance with terms and conditions to be monitored.

Ordering

Order forms must be completed by staff, usually the finance officer, and signed by the Headteacher, who ensures that the expenditure has been included in the budget plan and that there are adequate funds to make the purchase.

On receipt of approved order forms, orders are processed for all planned expenditure except for supplies of public utility services and items purchased through petty cash of not more than £150 in value.

All official orders are generated through SIMS and signed by the Headteacher or the Senior Teacher in his/her absence.

The authorised signatories at Croscombe are S. Heath, S. Burr, C. Greenwell, N.Cramp and E.Meaden. The authorised signatories at Stoke St Michael are S. Heath, M.Vincent, N. Cramp and S. Bannister.

Outstanding orders are reviewed regularly, cancelled or followed up as necessary. If cancelled, a reason is written on the copy order for audit purposes.

Orders are not raised on behalf of, or for the benefit of, private individuals or organisations.

Telephone orders are discouraged and only used in exceptional circumstances. If an order is placed in this way, it is made clear that it is subject to SCC terms and conditions and written details are supplied immediately to the Finance Officer to enable a confirmation order to be raised on SIMS FMS and sent to the supplier.

Delivery Notes

All delivery notes are checked upon receipt of goods, to ensure that the goods listed have been "received". Checks are evidenced in writing and the delivery note is then passed to the Finance Officer. Delivery notes are also checked against the order by budget holders. Discrepancies are followed up by the Finance Officer.

The inventory is updated for items of furniture, equipment etc. of £100 or more.

Payment of Invoices

Where goods are provided by a supplier who is registered for VAT, a valid VAT invoice is obtained.

Payments to individuals (other than some contractors subject to Construction Industry Tax) who supply goods or services to the school (eg tuition, performances etc.) are made via the payroll system.

The Finance Officer checks the delivery note to the invoice, to ensure that the school is only charged for goods received. The delivery note is attached to the invoice. Payments are not made from statements or "brought forward balances".

The invoice is then passed to the Headteacher for authorising prior to the Finance Officer processing on SIMS FMS. The printed authorisation list (from SIMS FMS) is also certified by the Headteacher before either the file is transmitted via the Interface to County. The invoice is attached to the authorisation list.

Procurement Cards (P-Cards)

The school does not utilise P-Cards.

Leases

When considering a lease arrangement, the school only enters into an operating lease arrangement and not a finance lease or hire purchase as the latter are a form of borrowing. Operating leases involve the school paying a rental fee for the hire of an asset for a period of time, and are similar to a rental agreement.

The LA requires LA Community and Voluntary Controlled schools to complete an annual return at year end detailing any leases that schools have entered into and confirming that they are not finance leases. **The Headteacher ensures that a signed copy of the annual leases return is sent to the LA.**

SECTION 5 - INCOME

Income can be vulnerable and the income collection system should meet the following objectives:

- All income due to the school is identified and collected.

- All income is receipted (if over £25) and banked promptly and completely.
- There is a clearly documented audit trail from receipt through to banking for all transactions.

The school has a Charging and Remissions Policy (separate document) and a Lettings Policy in place (See [Appendices 4.1, 4.2, 4.3 and 4.4](#)). These are adhered to at all times.

Adequate division of duties reduces the risk of error and fraud in dealing with income. The person collecting income is different from the person that records and banks the income. (An example of Division of Duties is listed in [Appendix 3](#).)

Raising Invoices

An account is raised by the Finance Officer via Somerset County Council's Income System /, ensuring the invoice complies with the requirements for a tax invoice, eg SCC VAT number, sequentially numbered, etc. An invoice is sent to the customer for goods and services provided.

Collection and Banking of Income

This comprises several stages:

(i) Cash Handling

Cash Handling guidance, as recommended by [South West Audit Partnership \(SWAP\)](#), is adhered to at all times.

[SWAP](#) recommend that on school sites where cash is collected and banked locally that the safety of the individual is considered and that clear and up to date guidance is provided for banking:

At all times:

- Do not count cash where the public/visitors can see.
- Prior to banking, keep cash and cheques locked away securely in the safe, out of site of the public/visitors.
- Bank income regularly, so that a minimal amount is kept on the school premises and so that a large amount of cash does not have to be carried to the bank.

In accordance with recommendations from Internal Audit, individuals undertaking banking are advised to:

- **Think about your personal safety. If attacked, surrender cash.**
- If possible travel by vehicle rather than on foot or by public transport.
- As far as possible vary the times and route taken to the bank, especially on foot.
- Bank only during good daylight hours if possible and avoid quiet streets and alleyways.
- Be aware of what is going on around you. Walk in the centre of the pavement facing the oncoming traffic.
- Never let members of the public know where you are going when you leave the office.

- Take care how you inform your colleagues of your absence but do let your manager know of your departure and expected return time.
- Keep with you a means of communication to let your manager know if you are delayed.
- Do not draw attention to the fact you are carrying cash. A box file or a strong shopping bag or even an inside coat pocket are preferable to a brief case or cash bags.

To ensure that staff are aware of cash handling procedures, **SWAP** recommend that the school completes the following self assessment:

- Have you provided training in personal safety for your secretary/administrator?
- When banking money, are the day and times varied to avoid a routine becoming known to others?
- When banking money, is the route taken varied to avoid a routine becoming known to others?
- Are amounts kept to a minimum by regular banking?
- Does the person going to the bank inform their manager of departure and expected return time?
- Has the person been given instruction to give up the money if accosted?
- Has the person a means of contact in case of unavoidable delays?

(ii) Recording

Income collected in class is recorded on record sheets by the teacher. The income is then taken to the Finance Officer (official funds) or the secretary (unofficial funds), who checks and signs for it. All other income received by staff in the School Office is recorded on record/monitoring sheets.

A receipt is issued by the Finance Officer or Secretary for any cash, postal orders and cheques (above £25) received via the office. If appropriate, termly receipts can be issued, eg swimming, dinner money, trips. In some cases, eg trips, this may be produced as part of the returns slip.

Income is recorded on SIMS FMS promptly ensuring the correct VAT treatment is applied, and the authorisation slip is printed.

Bank paying in slips and electronic coding slips are completed in full.

(iii) Reconciliation

Reconciliation of income is carried out on a monthly basis by the Finance Officer, ensuring that all income banked has been received.

Independent checks are made by the Headteacher to ensure that all income expected has been recorded, banked and received. Evidence of these checks is made in writing.

Debts Policy

The Finance Officer and the Secretary monitor outstanding debts regularly, and pursue bad debts. **Effective action is taken to pursue non payment of debts within defined timescales.**

Money is recovered wherever possible. Where money is not recovered, the matter is referred to the Finance Committee, who may write off the debt providing the total amount of debt written off in a financial year does not exceed 1% of the school's delegated budget share for the year.

Subject to the paragraph above, debts due from a single debtor up to a total value of £1,000 in any one financial year may be written off, but only on the direct authority of the Governing Body, that is, by resolution at a Governing Body meeting. In this event, the school should refer to the Financial Management Scheme (see sections 2.1.8 and 2.1.9).

The school will maintain a record of all debts written off showing what attempted recovery action has been taken and the justification for non-recovery.

SECTION 6 - BANKING ARRANGEMENTS

(For schools operating Local Payments System ONLY)

The proper administration of bank accounts is a fundamental financial control. In particular, regular bank reconciliations are essential as they prove that the balances shown in the accounting records are correct and provide assurance that the underlying accounts are accurate. The internal controls documented in this section guard against potential error or fraud.

Bank Accounts

The current banking arrangements are discussed annually by the Governing Body.

The school has the following bank/building society accounts:

- Imprest Account
- Catering Account
- School Fund account

Bank statements are received monthly and are reconciled by the Finance Officer to the transactions held within the SIMS FMS system. Any discrepancies are investigated. This reconciliation is checked and certified correct by the Headteacher (Form LP/1) who reports to the Finance Committee and the LA.

The Governing Body has agreed three signatories, one of which is the Headteacher, so that two people sign each cheque and a third person is available to cover any absence. This has been recorded in the minutes of the meeting in which it was agreed. Three sample signatories of each authorised person have been sent to the bank. Blank cheques are never signed.

The authorised signatories at Croscombe are S. Heath, S. Burr, C. Greenwell, and E.Meaden. The authorised signatories at Stoke St Michael are S. Heath, M.Vincent, N. Cramp and S. Bannister.

Advances of the budget are received in 13 instalments during the year. The accounts do not go overdrawn, as there is no overdraft facility allowed.

The School does not use Direct Debits and Standing Orders.

Spoilt cheques are attached to the back of the chequebook and held in the safe.

SECTION 7 - PETTY CASH/IMPREST

Petty cash is a small sum of money, which is held in a separate bank account. When expenditure is incurred, a claim is completed and sent to the LA which charges the school's budget and reimburses the bank account. This is called an imprest system whereby the account is always topped back up to a fixed float / advance of £340. The school is issued with a chequebook and receives monthly statements of the account transactions.

Petty Cash is used to reimburse staff for approved purchases on behalf of the school upon production of a valid receipt for:-

- Cash payments too small for an order to be acceptable
- Emergency purchases where immediate settlement is required
- Purchase of postage stamps
- Obtaining greater discounts for settlement by cash/cheque
- Obtaining goods/services from suppliers who do not accept official orders

Petty Cash is not used for:-

- Making payment to staff **such as salaries, travel or expense claims**
- Paying for services such as mobile telephones, fuel or services that may be liable to Construction Industry Tax
- Making payments to individuals (e.g. theatre groups, authors, musicians, self employed) who require cheques to be payable to them personally (except window cleaners and piano tuners who use their own equipment)
- Cashing Personal cheques
- Paying in income (to the Petty Cash account)

Using the Petty Cash Account

Items can be paid for by cheque or cash. If cash is required, a cheque is drawn for the cash. Both the chequebook and cash (if any) are kept securely in the safe.

The recipient signs for any cash received.

The Governing Body has agreed the signatories. Two of the authorised signatories are required to sign each cheque. Blank cheques are never signed.

The authorised signatories at Croscombe are S. Heath, S. Burr, C. Greenwell, N. Cramp and E.Meaden. The authorised signatories at Stoke St Michael are S. Heath, M. Vincent, N.Cramp and S. Bannister.

Receipts are obtained wherever possible for all items purchased from the Petty Cash account. (If a receipt isn't available, a petty cash voucher is completed instead.)

If VAT is charged on an item, a valid VAT receipt is obtained. (If a VAT receipt cannot be obtained, a petty cash voucher is completed and authorised but no VAT can be reclaimed.)

All receipts and petty cash vouchers are authorised by the Headteacher and promptly entered by the Finance Officer onto a cheque/cash control sheet. Details are then entered onto SIMS FMS either at the time of purchase or on a weekly basis.

All expenditure of more than £100 is approved by the Headteacher before the money can be spent. An order is raised on SIMS FMS which is signed by an authorised officer, retained at the school and cancelled once the petty cash expenditure has been entered.

A reimbursement claim is completed regularly, at a minimum when approximately half the float has been spent. The claim is checked and authorised by the Headteacher before being submitted for reimbursement.

When the reimbursement is shown on the bank statement, the Finance Officer records the reimbursement on SIMS FMS.

Reconciliation is completed every month, including verification of the cash held in hand. **Evidence of reconciliation must be retained.**

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SECTION 8 - ASSETS

The school has many valuable items in use throughout the site. Some of these items are fixed, but many are portable and therefore may be vulnerable to theft.

Inventory

All items purchased above £250 (together with attractive portable items under £250 e.g. ICT equipment/ digital cameras) are recorded in the school inventory upon receipt, giving full details of:

- Value

- Date purchased
- Description
- Serial numbers (where applicable)
- SCC Security label number (Security labels are available from Somerset County Council's Insurance Section)
- Useful life
- Location within school

The Inventory is checked annually against the asset register by the Headteacher and a Governor, with any discrepancies being investigated. Evidence of the annual check is retained.

A booking out system is employed where any goods are taken off site. The system includes the following details:

- Name of borrower
- Item borrowed
- Date borrowed
- Condition of goods when removed
- Date returned
- Condition of goods when returned

A record is maintained of all disposals, including the proceeds of the sale, the date of transaction and the name and address of purchaser.

Cash/Cheque books

Cash and cheque books are kept in the safe when not in use.

The value of petty cash held within the school is kept to a minimum.

Income collected from pupils is recorded and banked as soon as possible, preferably within two working days, in order to ensure only minimum levels are held on the premises.

Stock

All consumable stock is stored centrally in the stock room. This is locked at all times to avoid the misuse of stock which leads to unnecessary ordering.

A physical check is carried out annually to ensure that stock is kept at a reasonable level.

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SECTION 9 - INSURANCE

School Contents Insurance (Balance of Risks)

The school buys into Somerset County Council's Contents Insurance for Schools
<https://slp.somerset.org.uk/sites/insurance/SitePages/Home.aspx>

This insurance covers:

- School contents situated in the school premises (including attendant buildings owned and/or occupied by the school for the purposes of the school's business)
- The cost of the removal of debris
- Professional fees
- Contents temporarily removed from the premises (Limit of £2,500)
- Damage to Property on temporary loan to the school (Limit of £2,500)
- As from 1st April 2015 loss of freezer content up to a limit of £1,000 is covered.

Perils covered:

- Damage resulting from theft
- Malicious damage
- Escape of water
- Impact
- Accidental damage.

The cover excludes personal effects of employees, pupils, students and visitors.

ICT equipment is also included in this policy. Details of all ICT equipment is recorded in the school inventory. A full and up-to-date inventory of school contents must be kept at all times to substantiate a claim and provide evidence of ownership. An excess of £100 applies to each and every claim except for :

- Laptop/mobile computers - excess is £200
- Theft from non-alarmed area - £250
- Theft whilst in transit - £250

Building Maintenance

Governing Bodies are responsible for all necessary maintenance and repairs. (refer Section 11 – Premises Issues of the Financial Management Scheme). The school has made arrangements with The Hookway Partnership.

The County Council can provide services to schools and academies in this respect. Contact [Support Services for Education - Property and Ground Services](#) for further details. Email: (Property@somerset.gov.uk or grounds@somerset.gov.uk)

Supply Insurance

The school buys into the Primary/Special Schools' Supply Mutual Fund (SMF) administered by the LA.

Lettings Insurance

Lettings insurance, available through Somerset County Council, is offered by the school to all hirers of the school premises (other than commercial organisations who should have their own Public Liability cover). A fee based on 12% of the hiring cost is added to the lettings charge.

Further information about Public Liability Insurance can be found here:

[https://slp.somerset.org.uk/sites/insurance/SitePages/Hirers%20Liability%20\(Lettings%20Insurance\).aspx](https://slp.somerset.org.uk/sites/insurance/SitePages/Hirers%20Liability%20(Lettings%20Insurance).aspx)

Extended School

The School ensures the correct use of school premises when used by a third party as per guidance published on SiX Extended Schools Services Website

<http://www.six.somerset.gov.uk/extendedschools/>

or

<http://www.education.gov.uk/popularquestions/schools/typesofschools/extendedschools/a005585/what-are-extended-services>

School Activities Travel Insurance

The school buys into Schools Activities Travel policy arranged by Somerset County Council via ACE Europe. The Policy provides travel insurance cover for all insured persons (pupils, teaching and support staff, adult volunteers, helpers and assistants, and other authorised children) of participating schools whilst on organised trips **outside** the designated school boundaries.

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SECTION 10 - COMPUTER SYSTEMS/DATA SECURITY

The Data Protection Act 1998

The School and Governing Body register under The Data Protection Act. The Headteacher is the nominated Data Controller and is responsible for controlling access to all data in the school in accordance with the Data Protection Act and to ensure that all staff are aware of their responsibilities/obligations at all times.

All information relating to personnel is:

- obtained and processed fairly and lawfully
- held only for specified lawful purposes
- adequate, relevant but not excessive for those purposes
- accurate and up to date
- available to those people referred to
- kept securely.

Information is not kept longer than necessary and neither used nor disclosed other than in accordance with the purposes that the school have disclosed.

Any new use of personal information, including the sharing of personal data with other agencies, should be notified to the Information Commissioners Office (ICO) and the relevant pupils and staff.

Offences against the Act are criminal and individuals will be held personally responsible.

Access/Security

The purpose for controlling access is to ensure that only authorised personnel are able to access information that is relevant to the tasks for which they are responsible. It prevents unauthorised access to information which could result in accidental or deliberate corruption of the data and which might contravene the confidentiality part of the Data Protection Act.

The Headteacher is responsible for the overall control of all systems, with the Deputy covering for absence. Access rights are determined and monitored by the System Manager.

Computers are not left easily accessible by unauthorised users.

Computer screens are locked (by password/locking the workstation) if left unattended.

Access to software is restricted according to the level of access required for an individual to carry out their job to an expected level. Access rights are reviewed regularly by the System Manager and protected via passwords.

Any software installed onto the schools network is protected through a virus guard so that any files received from outside sources can be virus checked before being opened.

All laptops and memory sticks are encrypted.

Computers are not left easily accessible by unauthorised users.

Computer screens are locked (by password/locking the workstation) if left unattended.

Any software installed onto the schools network is protected through a virus guard so that any files received from outside sources can be virus checked before being opened.

Cloud Technology

Where cloud technology is used to store personal or confidential data the school ensures that the supplier adheres to the Data Protection Act.

Back Up

Back up is carried out automatically every night and the backed up data is stored remotely. It is the schools duty to make sure that backup procedures have worked. Further information about backup should be available from the School's ICT support.

Transmission of Data

The transmission of personal or confidential data must always be over secure channels and the school ensures that any methods used, including email, do not lead to breaches of the Data Protection Act.

Computer Printouts

Each month, details of expenditure as recorded on the County Council's Accounting System relating to the School's budget are downloaded and printed. These printouts are stored in a lockable cabinet as they contain personal information relating to staff employed at the school.

SECTION 11 - PERSONNEL/PAYROLL

Regulations

The school is aware that there are a number of areas where HMRC regulations affect or determine the way payments are made. In particular, these relate to individuals who are self-employed and where individuals/companies are subject to Construction Industry Tax Scheme.

Controls are in place to ensure appointments are cleared through the Disclosure and Barring Service (DBS). Also, controls are in place to ensure that additional checks are made where required for a staff member's eligibility to work in the UK and their suitability to work with children.

Payroll

No employee can certify payroll expenditure from which he or she might personally benefit.

The Chair of Governors signs any amendments to the Headteacher's contract.

Links with SIMS FMS

Contract information held within SIMS.net Personnel feeds through to SIMS FMS providing salary and on-cost projections. The Finance Officer ensures that SIMS.net Personnel is kept up to date with any contract changes and also with salary, Superannuation and National Insurance changes.

Pay Policy

The school has a separate Pay Policy which is reviewed annually by the Headteacher and Pay Committee.

Whistleblowing Policy

The School has a separate Whistleblowing Policy, the implementation of which is reviewed and communicated to staff regularly. Further information can be found on the following sites:

[Guidance and Code of practice for employers](#)
[Whistleblowing for employees](#)
[SCC Whistleblowing Policy](#)

SECTION 12 - UNOFFICIAL/VOLUNTARY FUNDS

An Unofficial School Fund comprises funds which have arisen from contributions or donations other than from the Local Authority (LA). Consequently it does not hold any official monies of the LA. Detailed guidance is available on iPostID1013:

Financial Guidance - Unofficial School Funds

<https://slp.somerset.gov.uk/somersetipost/iPost Documents/Financial Guidance - Unofficial School Funds.doc>

All staff involved with Unofficial School Funds must ensure that their actions comply with The Financial Management Scheme. It is the responsibility of the Governing Body and Headteacher to provide an overview of the Unofficial Fund and ensure the day-to-day administration and operation of the Fund is carried out with as much care and diligence as the school's delegated budget (Official Funds).

Purpose of the Unofficial Fund

The purpose of an Unofficial School Fund is to hold the proceeds of fund raising events and donations made by individuals or organisations and spend them for the benefit of the pupils.

The Unofficial Funds comprise the Croscombe School Fund and the Croscombe School Catering Account but exclude the funds of the Friends of Croscombe School and the PTA funds at Stoke St Michael.

Management of the Unofficial Fund

The funds are controlled by the Headteacher by reason of his or her employment by the LA (in the case of Community and Controlled Schools), or by the Managers or Governors of a school maintained by the LA (in the case of Aided Schools). (*Delete as appropriate.*)

The Headteacher ensures that governors are informed that the school holds unofficial funds and are aware of their purpose.

An Unofficial Fund's Finance Committee (which is separate from the Governing Body Finance Committee) determines the policy of, and activities to be undertaken by, the fund and monitors performance closely. The Unofficial Funds Committee comprises the FOCS Committee.

The Headteacher ensures that proper accounts are maintained of all receipts and payments concerning unofficial funds.

The Headteacher delegates the operation of unofficial funds to the Secretary. However, the Headteacher is responsible for approval of all expenditure from the account.

Reports are made to the Unofficial Fund's Finance Committee concerning the balances and activities of the funds at least quarterly and this committee monitors performance closely.

Separation of Funds

This fund is kept completely separate from the Official Fund. It has independent records and has its own bank account accruing interest. The two funds are never

involved in the same transaction/activity. (It is recognised that some transactions can go through either official or unofficial funds, but the income and related expenditure always go through the same fund.)

Accounting Procedures and Records

The Unofficial Funds are managed with as much care and diligence as the school's delegated budget (Official Funds) and therefore accounting procedures adhere to other sections in this Finance Policy, Section 4 – Purchasing and Section 5 – Income. Proper accounts are kept of receipts and payments relating to unofficial funds.

(i) Income

As soon as money is received, it is sent to the Secretary for recording and for banking at the earliest opportunity. Receipts are issued using a numbered, duplicate receipt book. Where money is being collected in instalments from pupils, a collection record card is maintained for each pupil.

All cash income is paid into the bank in full and is withdrawn as a cash cheque when it is required, no matter how short the time between banking the cash and drawing the cheque.

(ii) Authorised Expenditure

Any money paid out is by cheque.

All cheques are signed by a minimum of two out of three authorised signatories. Blank cheques are never signed or issued.

The Governing Body has agreed four signatories:

- 1) Stephen Heath**
- 2) Catherine Greenwell**
- 3) Elaine Meaden**
- 4) Sally Burr**
- 5) Nick Cramp**

Wherever possible, an invoice or a signed receipt covers all payments. If no receipt has been obtained, a payment voucher, authorised by the Headteacher covers all reimbursements of payments made.

Copies of paid invoices are retained for all purchases to ensure that the records are comprehensive.

All payment vouchers are numbered, dated and filed.

(iii) Reconciliations

Regular reconciliations of the bank statements to the accounting records are completed at least termly and independently checked by the Headteacher. Evidence of these checks is made in writing.

Auditing of Accounts

The Governing Body appoints an auditor who is independent of the school and is not involved or related to anyone involved in the running of the funds. (It is not normally necessary for the auditor to be a registered auditor or qualified accountant.)

The accounts are audited at the end of each academic year (i.e. 31st August).

Auditors are entitled to seek and to obtain any information and explanations required from members of the staff concerned with the operation of the fund and all records are made available to them.

If a cost is incurred in obtaining the audit, this is met from the fund.

The Headteacher ensures that the accounts are prepared annually, audited and presents the audited accounts, the auditor's certificate, the audit checklist and a written report on the accounts to the Governing Body as early as possible in the Autumn Term.

The LA requires all schools to complete an Unofficial Funds Audit Checklist and an Annual Audit Certificate for their Unofficial School Fund (or a nil return if they do not have one). Once accepted by the Governing Body, the Headteacher ensures that a signed copy of the Year-End Statement of Accounts, showing details of income and expenditure, for all Unofficial Funds is sent to the LA along with the Annual Audit certificate and the Unofficial Funds Audit Checklist.

Insurance

The Governing body ensures that the fund is covered by insurance including fidelity guarantee insurance.

Charity Commission Registration

- Schools' unofficial funds would normally be required to register as charities with the Charity Commission if they are established for exclusively charitable purposes and if their total income exceeds £5,000 per annum.
- Becoming a charity will allow the fund to be eligible for various tax reliefs and may also help in obtaining grants from other charities which can make grants only for charitable purposes.
- Where the school fund has charitable status, the Governors will normally be the trustees of the charity.

(See Charity Commission Website <http://www.charity-commission.gov.uk>)
(Insert further details if registered.)

SECTION 13 – CHARGING FOR SCHOOL ACTIVITIES

NEW SECTION

The 1996 Education Act requires all schools to have a policy on charging and remissions for school activities. No charges can be made unless the governing body of the school has drawn up a Charging and Remissions Policy. The policy must be made available to parents and must be kept under regular review.

(A Model Charging and Remissions policy is available on Somerset iPostID1282: [https://slp.somerset.gov.uk/somersetipost/iPost Documents/Financial Guidance - Model Charging and Remissions Policy \(GS\).doc](https://slp.somerset.gov.uk/somersetipost/iPost Documents/Financial Guidance - Model Charging and Remissions Policy (GS).doc)

This model has been used as a basis for the school's own policy, and was completed / amended to suit the school's own individual arrangements.)

The following guidance has been taken into account in the school's Charging and Remissions Policy (*delete as appropriate*):

Guidance on Charging

In general, all education provided during school hours is free, though music tuition can be an exception to this (see below).

(i) Residential School Visits

Schools cannot charge if 50% or more of the time spent on the activity is in school hours or if the activity is part of the national curriculum. If a charge is made the cost must not exceed the actual cost; ie the school must not make a profit. However, schools may charge for the cost of board and lodgings during overnight school trips. The charge must not be more than the accommodation actually costs and parents who are in receipt of certain benefits are not required to pay. (*See remission of fees below.*)

(ii) Music Tuition

Charges can be made when the tuition is not an essential part of:

- the National Curriculum
- a public examination syllabus
- first access to the Key Stage 2 instrumental and vocal tuition, Wider Opportunities programme

(iii) Examinations

No charge can be made for entering pupils for public examinations that are on the National Curriculum.

However, an examination entry fee may be charged to parents if:

- the pupil wasn't prepared for the examination at the school
- the examination isn't on the National Curriculum, but the school arranges for the pupil to take it
- a pupil fails without good reason to complete the requirements of any public examination where the governing body or local authority (LA) originally paid or agreed to pay the entry fee

Schools can also charge for

- re-sits for public examinations where no further preparation has been provided by the school

- costs of non-prescribed examinations where no further preparation has been provided by the school

(iv) Breakages And Replacements

Schools can charge for breakages and replacements as a result of damages caused wilfully or negligently by pupils.

(v) Extra-Curricular Activities And School Clubs

School can charge for extra-curricular activities and school clubs. The charge cannot exceed the actual cost of the provision.

Voluntary Contributions

Schools can ask parents for a voluntary contribution towards the cost of:

- any activity which takes place during school hours
- school equipment and
- school funds generally

In the example of an activity, if it cannot be funded without voluntary contributions, the school must make this clear to the parents at the outset. The contribution is voluntary and pupils of parents who can't, or don't want to, contribute must not be excluded from the activity. If insufficient voluntary contributions are raised then the activity can be cancelled.

Remission of Charges

When a school informs parents about a school visit, they should make it clear that parents who can prove they are in receipt of the following benefits will be exempt from paying the cost of board and lodging:

- Universal Credit in prescribed circumstances
- Income Support
- Income Based Jobseekers Allowance
- support under part VI of the Immigration and Asylum Act 1999
- Child Tax Credit (provided they do not also receive Working Tax Credit and have an annual income, assessed by the Inland Revenue, that does not exceed £16,190* (Financial Year 2012/13)).
- Guaranteed State Pension Credit
- An income related employment and support allowance that was introduced on 27 October 2008.

Further information on charging for school activities can be found on the DfE website -

<https://www.gov.uk/government/publications/charging-for-school-activities>

REGISTER OF BUSINESS INTERESTS

The Governing Body of School has agreed that the governors and staff involved in financial decision making should “declare any links they have with companies or organisations from which the school may wish to buy goods or services. It is important for anyone involved in spending money to demonstrate that they do not benefit personally from decisions that they make”.

The Governing Body has defined a “business interest” as:

(i) a situation where the person concerned, their family (immediate and other relatives) or close friends have a connection with a potential supplier, or where there is a business connection, i.e. common directorships /partnerships.

(ii) in relation to Pay and Performance, an interest in the pay or appraisal of someone working at the school in cases where the governor or staff member is also paid to work at the school.

Nil returns are required.

Name	Name of company or organisation	Nature of business or interest	Date entered in register

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RETENTION OF RECORDS

Documentation, files and records are retained to act as a record and support for actions taken and to assist future reviews of policy. They are also retained to satisfy the requirements of Internal Audit, External Audit, HM Revenue and Customs and the Inland Revenue. This section identifies the minimum period of time that records should be retained to satisfy all these requirements.

Financial Regulations require the retention of certain records for specified periods. If in doubt, a minimum of six years should be applied. Specific regulations are as follows.

COMPUTER TABULATIONS	6 years plus current year
SIMS DATA	6 years plus current year
COPY ORDERS	6 years plus current year
DELIVERY NOTES, CREDITOR INVOICES, CREDIT AND DEBIT NOTES	6 years plus current year
RECEIPT BOOKS	6 years plus current year
PETTY CASH BOOK	6 years plus current year
BANK STATEMENT, CHEQUE BOOK STUBS (including analysed cheques)	6 years plus current year
CASH RECORDS AND TILL ROLLS	6 years plus current year
DEBTOR ACCOUNTS	6 years plus current year (providing debt has been collected)
INVENTORY RECORDS	6 years plus current year
TIMESHEETS	6 years plus current year
EMPLOYEES' RECORDS, PERSONNEL ACCIDENT REPORT	7 years following cessation of contract
TENDERS (schedule of limited/opened)	6 years plus current year after settlement of final account
TENDERS (schedule of price approvals, other correspondence)	6 years plus current year after settlement of final account
CONTRACT DOCUMENTATION, FINAL ACCOUNTS AND SUPPORT EVIDENCE	6 years plus current year after settlement of final account
OTHER SITE DOCUMENTS eg DIARIES	6 years plus current year (providing sufficient documentation is held confirming exact dates of work etc.)

DIVISION OF DUTIES CHART (Example)

	Head	Deputy Head	Teachers	Finance Officer/ Assistant	Teaching Assistant	Secretary
A. ORDERING						
Process order on SIMS FMS				<input type="checkbox"/>		
Authorise order on SIMS FMS				<input type="checkbox"/>		
Sign paper copy of order	(<input type="checkbox"/>)					
Check delivery note to goods received				<input type="checkbox"/>		
Check delivery note to order				<input type="checkbox"/>		
B. INVOICE PAYMENTS						
Check invoice to delivery note/order (where applicable)				<input type="checkbox"/>		
Sign invoice to authorise payment		(<input type="checkbox"/>)				
Process invoice on SIMS FMS				<input type="checkbox"/>		
Authorise invoice on SIMS FMS				<input type="checkbox"/>		
Authorise invoice batch header (including checking against invoices attached)						
Upload batch to County/print cheques				<input type="checkbox"/>		
Check payments on tab						

	Head	Deputy Head	Teachers	Finance Officer/ Assistant	Teaching Assistant	Secretary
D. PETTY CASH						
Sign cheques (2 signatures)	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>
Reimburse staff with cash or cheque				<input type="checkbox"/>		
Sign receipts/vouchers to authorise						
Record expenditure in manual records				<input type="checkbox"/>		
Record expenditure on SIMS FMS and produce reimbursement claim				<input type="checkbox"/>		
Sign reimbursement claim (including checking against the supporting receipts/vouchers)	<input type="checkbox"/>					
Balance petty cash				<input type="checkbox"/>		
Check petty cash balance form (including counting any cash in hand)	(<input type="checkbox"/>)					
E. INCOME						
Raise invoices/request's income and keep records of all income due				<input type="checkbox"/>		<input type="checkbox"/>
Collect income, count and record manually				<input type="checkbox"/>		<input type="checkbox"/>
Issue receipts				<input type="checkbox"/>		<input type="checkbox"/>
Record on SIMS FMS				<input type="checkbox"/>		<input type="checkbox"/>
Complete paying-in book				<input type="checkbox"/>		<input type="checkbox"/>
Bank income						<input type="checkbox"/>
Spot check income received against records of income due				<input type="checkbox"/>		<input type="checkbox"/>
Check income collected to amount banked and amount on County Accounting System.				<input type="checkbox"/>		
F. BUDGET MANAGEMENT						
Undertake reconciliation process				<input type="checkbox"/>		
Detailed checks of staff payments				<input type="checkbox"/>		
Allocate income if required (budget virement)				<input type="checkbox"/>		
Complete Form 10 or Local Payments Forms				<input type="checkbox"/>		
Sign and Check Form 10 or Local Payments Forms						
Complete Form 11 if applicable				<input type="checkbox"/>		
Sign County Accounting System Tabs/Balancing figure						
Production of financial reports				<input type="checkbox"/>		
Review monthly reports	<input type="checkbox"/>					
Complete any budget movements required	<input type="checkbox"/>			<input type="checkbox"/>		
- authorise } virement						
- action }						

	Head	Deputy Head	Teachers	Finance Officer		
G. PERSONNEL/PAYROLL				<input type="checkbox"/>		
Complete payroll forms for contract changes, supply, etc.						
Authorise payroll forms – Chair of Governors to authorise Headteacher’s	<input type="checkbox"/>					
Update SIMS.net Personnel for contract changes				<input type="checkbox"/>		
Check staff variances on SIMS FMS				<input type="checkbox"/>		
Check staff payments on County Council Accounting System tabs						
Monitor staff budgets	<input type="checkbox"/>			<input type="checkbox"/>		

LETTINGS POLICY

This sets out the arrangements for the use of the school premises by groups, individuals or organisations.

It should be read in conjunction with the LA's advice and guidance on Lettings and Lettings Insurance. Refer to websites for information on extended schools via SiX or DfE. (See links under Insurance Section.)

All hirers of the school premises will be made aware of the hire costs, terms and conditions, including insurance requirements, before the hire and the agreement is signed (see Appendix 4.2 and Appendix 4.3). **Fees should be charged in advance; only in exceptional circumstances should invoices be raised after the event.**

Hire charges, where set, will be reviewed annually by the Headteacher and Governors. The charges will cover any costs incurred, ie heat and lighting, caretaker and insurance. Current charges are as follows:-

- Caretaker costs are based on the current rates issued by Somerset County Council's HR Admin and Payroll Section based on the number of rooms hired.
- An element for heating and lighting is added based on advice from Somerset County Council's Energy Management Team.
- Public Liability insurance (to cover the hirer's liabilities) is added to the hire charge at the current rate of 12% (issued by Somerset County Council's Insurance Section).

Charges to children and youth groups may be subsidised if funds are available for this purpose. This is to be agreed on individual circumstances by the Headteacher and Governors.

There is currently no charge for the use of the premises by the PTA.

NB: In VA schools the Governors are entitled to any income over and above costs incurred (Financial Management Scheme 5.2.1).

SOMERSET COUNTY COUNCIL LETTINGS OF COUNTY COUNCIL PREMISES INSURANCE

NOTES

Subject to the Exclusion mentioned below, the County Council is able to offer the following cover by way of insurance for hirers of Somerset County Council schools and other premises on a casual basis: -

1. PUBLIC LIABILITY (THIRD PARTY) insurance - ie claims by persons for which the Hirers (not the Somerset County Council) may be responsible.
2. Cover, which includes risks of food poisoning from food and drink supplied by the hirers, has been arranged subject to a limit of £2,000,000 for claims arising out of any one occurrence.
3. DAMAGE TO PREMISES HIRED (but excluding fire damage - see below). Cover, which includes vandalism for which the Hirer may be responsible, is limited to £1,000,000 for each hiring and is subject to the hirer meeting the first £100 of each claim.
4. DAMAGE TO PREMISES HIRED by FIRE OR EXPLOSION for which the hirer is responsible or which is directly attributable to hiring.

EXCLUSION

The above insurance arrangements DO NOT apply to Commercial Organisations such as a trading company promoting an exhibition or promoters of professional entertainment on the Council's premises. Such hirers are expected to have made their own insurance arrangements.

1. This statement is a summary of cover. If required, full details of the insurance cover may be obtained from the Insurance Department, (Finance), County Hall, Taunton.
2. The premium is added to the hiring charge.
3. This insurance cover is also available to hirers where the County Council makes no charge, although it is expected that outside organisations eligible for free use of premises will have made their own insurance arrangements. If cover is required a premium will be charged equivalent to that payable on a chargeable letting for a similar period.
4. All activities of staff, governors and parent/ teacher associations directly related to the running of the school (including fund raising activities) are covered by the Council's insurances.
5. It is required of the insurance cover that all reasonable precautions be taken to prevent accident, loss, damage or injury.
6. The Somerset County Council is unable to insure hirers against their responsibility to their own employees. Hirers must make their own arrangements as required by the Employer's Liability (Compulsory) Insurance) Act 1969.
7. The Somerset County Council does not provide insurance for other risks of hirers, e.g. loss of money, tickets, etc, or arising from the cancellation of a hiring. Hirers must take whatever steps they deem necessary to protect themselves against such risks.

CLAIMS

All claims under these insurance arrangements must be made to the Insurance Department (Finance), County Hall, Taunton, TA1 4DY.

Preliminary information should be telephoned to the Insurance Department - telephone 01823 355290 when advice on further action will be given.

HIRE OF EDUCATIONAL ESTABLISHMENTS

CONDITIONS OF HIRE

1. In these conditions,
 - (a) "the Authority" means the Somerset County Council;
 - (b) "the Establishment" means the school premises;
 - (c) "the Facilities" means the premises and/or equipment forming part of or belonging to the establishment which the Hirer has identified on his/her application form;
 - (d) "the Hirer" has the meaning defined at Clause 2 below;
 - (e) "the Hire Period" is the period or periods of hire set out in the application form and agreed by the Headteacher;
 - (f) "the Responsible Body" means the establishment's Governing Body, its management committee or any other body charged with responsibility for the use of its premises by the community;
 - (g) "User/Users" are those people using the Facilities as members of the Hirer's party.

2. The Hirer

- 2.1 The Hirer is the person (whether acting as an individual or on behalf of a club or organisation) hiring the Facilities.
- 2.2 The person signing the application form shall be deemed to be the Hirer and must be over 18 years of age.
- 2.3 Where the person who signs the form indicates that he or she signs the application form for or on behalf of any club or organisation, that club or organisation shall also be deemed to be the Hirer and shall be jointly and severally liable with the person who signs this agreement for any breach or non-observance of these conditions and that person warrants that he/she is the duly authorised representative of the club or organisation concerned and has the necessary authority to sign this agreement on its behalf.
- 2.4 Should there be any default of payment by the club or organisation, the person signing the form shall be deemed personally liable.

3. Application for Hire

- 3.1 All applications for the hire of the Facilities must be in writing on the printed form.
- 3.2 The Facilities will be used solely for the event described on the application form.

- 3.3 If this booking relates to a regular and continuing booking this one undertaking shall be binding for all occasions when the Facilities are used, but a regular booking shall not create or cause a periodic tenancy in respect of the Facilities.
- 3.4 The information given by the Hirer in the booking form shall not imply that the Authority considers the Facilities are suitable for the purpose(s) for which they are to be hired or are adequate accommodation for the number of people attending, and the Authority gives no warranty that the Facilities are legally or physically fit for the purpose(s) for which they are hired.
- 3.5 The Headteacher or his/her representative may enter the Facilities at any time during the Hire Period to ensure that the terms of this agreement are being fulfilled, and the Hirer shall not at any time be entitled to exclusive possession as against the Authority or its duly authorised representative(s).
- 3.6 The Headteacher, or his/her representative, may refuse admission to any person without giving any reason for doing so and may similarly require any person to leave the premises.
- 3.7 Authority to accept or decline or postpone a booking shall rest with the Headteacher of the establishment or his/her representative whose decision shall be final.

4. Access to the Facilities

- 4.1 Provided the Hire Period has been agreed by the Headteacher, the Hirer and the Users will be given access to the Facilities by the School caretaker.
- 4.2. The caretaker will be present to unlock the premises at the beginning of the hire and will lock up at the end. He/she will not be available during the period of the hire.
- Or**
It is the responsibility of the Hirer, prior to departure from the Facilities, to ensure that the Caretaker is contacted to secure the building and the Hirer shall ensure the Premises are vacated in accordance with the times set out in the booking form and the terms of this agreement. (*School to delete as appropriate*)

5. Hirer's Responsibilities and the Safety of Users

- 5.1 The Hirer is responsible for the safe admission and departure of Users to and from the School and Facilities.
- 5.2 The Hirer must ensure that any necessary CRB checks have been carried out for those supervising children during the Hire Period.
- 5.3 The Hirer is responsible for the behaviour and safety of the Users and must ensure that there is appropriate supervision levels at all times during the Hire Period.
- 5.4 The Hirer is responsible for ensuring that all necessary written permission forms have been obtained from children's parents to enable them to participate.
- 5.5 The Hirer must ensure that a qualified supervisor is present during all activities of a hazardous nature, ie, karate, trampoline, gymnastics, swimming, judo or where the hiring organisation is a youth group.

- 5.6 The Hirer will be responsible for the provision of all such information, instruction and supervision as is necessary to ensure the safety of any activity for which the Facilities are used.
- 5.7 The Hirer is responsible for any special needs or requirements of the Users.
- 5.8 The Hirer is responsible for the adequacy, suitability and safety of all equipment brought to the Facilities.
- 5.9 The Hirer shall not use the Facilities in such a way as to cause any nuisance, damage, disturbance, annoyance, inconvenience or interference to the Facilities or adjoining or neighbouring property, or to the owners, occupiers or users of such adjoining or neighbouring property.
- 5.10 It is the sole responsibility of the Hirer to obtain any necessary licence for the sale of drinks for the performance of plays and similar productions and for the playing of pre-recorded music.
- 5.11 The Hirer must ensure that there are sufficient stewards to prevent unauthorised persons from entering the Facilities and to ensure that guests are restricted to the Facilities and to the necessary means of access thereto.
- 5.12 The Hirer must ensure that all equipment must be put back after use.
- 5.13 Any equipment brought to the Facilities must be removed at the end of each Hire Period.
- 5.14 The Hirer must familiarise himself/herself with the emergency procedures for fire, first aid and accident reporting and carry them out to the best of his/her ability.
- 5.15 If the alarm system is activated during the Hire Period, due to Users wandering into restricted areas of the building, then the Hirer will be responsible for any call out fee charged to reset the alarm.
- 5.16 The Hirer must have access to a phone or mobile phone (where there is a signal) at all times in case of an emergency.
- 5.17 The Hirer and the Users must participate in any evacuation drills or procedures operated by the School.
- 5.18 The Hirer must adhere to non-smoking legislation and the non-smoking policy of the School.

6. Condition of Facilities

- 6.1 The Facilities must be left clean and tidy after each Hire Period. If the Facilities are not cleaned to the reasonable satisfaction of the caretaker, the Hirer will be responsible for the cost to have them cleaned.

7. Payment

- 7.1 In the case of a one-off hire payment will be XX (school to insert) days/weeks in advance of the hire unless otherwise agreed with the Headteacher in writing. (*School to include payment arrangements and to advise if there is interest charge for non-payment of fees*).

- 7.2 If the hire is for a regular let the establishment will invoice the Hirer **in advance** on a termly basis.
- 7.3 The Hirer shall be solely responsible for ensuring the agreed hire fee is paid. Failure to pay the agreed fee may result in future bookings being refused and legal action being taken to recover the outstanding debt.

8. Cancellation by the School

- 8.1 The Headteacher reserves the right to cancel an agreed booking for reasons including but not limited to: -
- The School requires the use of the Facilities;
 - The School considers that the Facilities are unfit for use;
 - Any reason beyond the School's control.
- 8.2 Any monies paid in respect of bookings cancelled in accordance with the above Conditions will be refunded to the Hirer. The Authority, the School and the Responsible Body will not be liable for any other expenditure incurred, or loss sustained directly or indirectly by the Hirer or the User, arising from cancellation.
- 8.3 If the Hirer is in breach of these Conditions of Hire the Headteacher reserves the right to cancel a booking immediately and no refund will be given.

9. Cancellation by the Hirer

- 9.1 *(School to insert school cancellation details for example, full refund given if the school is told a week in advance. Or no refund given if less than 24 hours notice).*

10. Damage

- 10.1 Any damage to the Facilities or the School should immediately be reported to the Caretaker.
- 10.2 If any damage is done to the Facilities, School equipment or any part of the School by the Hirer or the Users, the School may at its discretion carry out the necessary repairs and the Hirer will undertake to pay the cost of such reparation.

11. Insurance

- 11.1 It is a prerequisite of this Agreement that the Hirer has appropriate insurance cover.
- 11.2 The Hirer is responsible for arranging appropriate insurance cover. Details of the insurance arrangements which Somerset County Council is able to offer is attached ([Appendix 4.2](#)). However, the Hirer must also consider taking out further cover for other risks not included such as cancellation.
- 11.3 The Hirer agrees to provide the Headteacher with a copy of their insurance policy prior to the Hire Period and thereafter upon request.

12. Liability Generally

- 12.1 Except in the case of death or personal injury caused by the negligence of the School or Somerset County Council, neither the County Council nor the Governing Body of the School shall be liable to the Hirer in contract, tort, negligence, breach of statutory duty or otherwise for any loss, damage, costs or expenses of any nature incurred by the Hirer.
- 12.2 The Hirer shall indemnify and keep the Authority indemnified against all losses, claims, demands, actions, proceedings, damages, costs or expenses or any other liability arising in any way from this Agreement and any breach of any of the Hirer's undertakings/agreements contained in this Agreement.
- 12.3 The Hirer shall not do or permit or suffer to be done by any act, matter or thing which would or might constitute a breach of any statutory requirement affecting the Facilities or which would or might vitiate in whole or in part any insurance effected in respect of the Facilities from time to time.

13. Car Parking

- 13.1 The parking of vehicles within the School site in the car parking area, by the Hirer and the Users shall be subject to the agreement of the Headteacher and permitted only on condition that:
- They park at their own risk and that they accept responsibility for any damage caused to their vehicles or any injury to any person or the property of the School by the vehicles or the presence of such vehicles at the School.
 - The Hirer shall maintain at all time adequate means of access for emergency vehicles.

14. No assignment/sub-contracting

- 14.1 The Hirer shall not be entitled to assign the benefit of, delegate the burden of, or sub-contract all or any of its rights and obligations under, these Conditions of Hire.

15. Variation

- 15.1 The Responsible Body reserves the right to vary these Conditions of Hire at any time or to make special arrangements in any particular case. The varied conditions of hire will not be effective until a copy is given to the Hirer.

APPLICATION FOR HIRE

I hereby apply for the use of the facilities detailed below:

Club/Organisation:

Accommodation required:

Equipment/Furniture required:

Equipment, etc to be brought onto premises by Hirer (if any):

Heating required: Yes/No

Insurance required: Yes/No If you do not require insurance, please attach a copy of your own Public Liability Insurance Policy to this application.

See Appendix 4.3 section 11.3

Qualification of Hirer (if relevant) see Point 5.5 of Hirer’s Responsibilities and the Safety of Users:
.....

Applicant’s Name:

Address:

.....

Telephone No:

Treasurer:

Address:

Telephone No:

Date required:

Alternative Date:

Times: From: To:

Approximate number of people:

I have read and agree to be bound by the Conditions of Hire.

Signed in a personal capacity and on behalf of
whose authority I have to bind them by signing this application.

Signed:

Date:

