



Perran-ar-worthal CP School (982306)

Financial Regulations and Scheme of Delegation

(from Governing Body to Senior Management)

Approved by the Full Governing Body as follows:	
FGB Meeting Date:	24th May 2018
Signed by:	
Chair of Governors Mr Colin Bridges	Signature
Chair of Finance Committee Mr Colin Bridges	Signature
Headteacher Mrs Rachel Heffer	Signature

CONTENTS

PART A: Scheme of Delegation.....	5
General	5
Economy, efficiency & effectiveness and value for money	5
Budgets	5
Forward planning.....	6
Virement	6
Budget monitoring & reporting	6
Commitments – legality of.....	7
Capital expenditure.....	7
Capital receipts	7
Borrowing.....	7
Training	7
Banking.....	7
Financial information.....	7
Payments	7
Contracts	8
Petty cash	8
Income	8
Taxation & other statutory adjustments.....	8
Internal audit.....	8
Irregularities.....	8
Investments	9
Register of business and pecuniary interests	9
Other financial matters.....	9
Financial standards in schools	9
Staff	9
PART B: Schedule of Financial Limits.....	10
Budget virement.....	10
Authorization of orders.....	10
Procurement arrangements and contract renewals.....	10
Cheque signatory limits	11
BACS signatory limits.....	11
List of authorized signatories	11
Cheque stationery	11
Bank payment cards	11
Authorized payment card holders	12

Allstar fuel cards	12
Petty cash limits	12
Official funds held as cash	12
Capital expenditure limits	12
Asset & bad debt write off	12
PART C: Standards for Financial Management & Administration	13
General	13
Budget preparation	13
Budget control	14
Budget review	14
Documentation of systems and procedures	14
Training	14
Computing arrangements	15
Financial stationery	15
Financial records - general requirements	15
Financial records - retention of	15
Operation of official bank account	17
Operation of bank payment card	17
Operation of Allstar fuel card	18
Payments - general	18
Procurement arrangements and contract renewals	18
Petty cash	19
Income	19
Insurances	20
Assets	20
Other school funds	21
Intellectual property	21
Commercial activities	21
Investments	22
External arrangements – partnerships	22
PART D: Procedure Notes	23
Organization of responsibility and accountability	23
Budgets	24
Budget planning	25
Ordering goods and services (purchasing)	25
Receipt of goods and services (internal financial control)	26
Processing invoices for payment	26

Cheque production.....	26
BACS payments	26
Reconciliation.....	27
Petty cash (using imprest system)	27
Income	27
Banking arrangements	28
Personnel records and payroll reconciliation	28
Insurance	29
Claims.....	29
Computer systems.....	30
Security of stocks and other property.....	30
School voluntary & private funds	31
School reserves.....	31
Removal & interview expenses	31
Debt recovery procedures.....	32
Appendix 1: non-financial records – retention of	40
Appendix 2: Declaration of Business, Pecuniary & Other Interests	42

PART A: SCHEME OF DELEGATION

General

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

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

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

The Headteacher shall seek the advice of the Governors if they have any doubt about the respective responsibility and authority of either party in relation to this scheme of delegation or financial administration or management.

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

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

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

Economy, efficiency & effectiveness and value for money

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

Budgets

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

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

Forward planning

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

Virement

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

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

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

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

Budget monitoring & reporting

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

The Headteacher with the assistance of the Bursar shall provide the Governors with such explanations as they may require in connection with expenditure from the delegated budget.

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

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

The Headteacher, on behalf of the Governors, shall be entitled to carry forward any portion of their delegated budget unexpended at the end of a financial year for use in the following financial year, subject to compliance with the approved accounting

procedures and the School Balances Policy - see A Financial Management Scheme for Schools.

Commitments – legality of

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

Capital expenditure

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

Capital receipts

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

Borrowing

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

Training

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

Banking

The Headteacher shall, on behalf of the Governors, operate the school's bank accounts in which official monies are held, in accordance with agreed arrangements with the Section 151 Officer.

Financial information

The Headteacher shall arrange for the production of information relating to the delegated budget that the Governors are required to supply to the Local Authority.

Payments

The Headteacher has authority, subject to the provisions of this scheme of delegation, to make payments on behalf of the Governors from the delegated budget. In the exercise of this authority the Headteacher shall ensure that arrangements for the making of payments comply with the schedule of financial

limits (see Part B). LA schools are not permitted to hold credit cards, but are allowed to hold payment cards.

Together with a payment card, the school holds an Allstar Fuel Card as issued by Cornwall Council. This card is available for use only on the registration number of the school minibus.

Contracts

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

Petty cash

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

Income

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

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

Taxation & other statutory adjustments

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

Internal audit

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

Irregularities

The Headteacher shall, on behalf of Governors, ensure that if a matter arises which may involve financial irregularity in any form, the Chair of Governors, Chair of Finance and Section 151 Officer shall be notified immediately. The Governors should be informed as soon as practical of any irregularities and in due course decide on the necessary action to rectify any findings, subject to professional advice from the Section 151 Officer.

Investments

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

Register of business and pecuniary interests

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

Other financial matters

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

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

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

Financial standards in schools

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

Staff

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

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

PART B: SCHEDULE OF FINANCIAL LIMITS

Budget virement

The Headteacher shall be permitted to vire amounts up to a maximum of £1,000 between budget headings without Governors' approval.

The Finance Committee has delegated responsibility to vire funds between budget headings, including the contingency fund, up to a maximum of £5,000.

However, should the purpose of the virement be necessary to allow the purchase of a single item in excess of £5,000, or the virement required is in excess of £5,000 permission can only be granted by a meeting of the Full Governing Body.

Authorization of orders

The Headteacher, Deputy Headteacher or other senior member of staff as approved by the Governors, may authorise orders up to a maximum of £5,000 per single item, subject to authorities detailed in Procurement Arrangements and Contract Renewals below.

Any single item of an urgent nature over £5,000 must be approved by the Chair of Governors and one other governor on the Finance Committee up to a limit of £10,000.

Non-urgent orders exceeding £5,000 and urgent orders in excess of £10,000 must be approved by the Finance Committee.

Details of urgent orders authorised by the Chair of Governors and the Chair of Finance must be reported back to the next meeting of the Finance committee.

Procurement arrangements and contract renewals

The Headteacher or, in the absence of the Headteacher, another senior member of staff as approved by the Governors may authorise procurements, contracts and contract renewals within the following limits subject to the requirement that details must be reported back to the next meeting of the Governing Body or Finance Committee:

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

*OJEU thresholds increase every 2 years and as at 1 January 2016 are: Goods and Services: £164,176; Works: £4,104,394. Full details are at B4.85 to B4.100 of the LA's Financial Regulations and procedures, the "Contract Procedure Rules".

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

Cheque signatory limits

Extracted from National Westminster Bank Contract

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

* Including one governor

BACS signatory limits

BACS Payments prints will need to be signed in accordance with the above, that is, signatures on the detailed print from the finance system must be in line with the signatories required for the single largest payment on the BACS run.

List of authorized signatories

Headteacher

Deputy Headteacher or Senior Teacher (as approved by Governors)

Chair of Governors

Nominated Governor on the Finance Committee

The county treasurer must authorize all cheque signatories prior to inclusion on the list of authorized signatories.

Cheque stationery

Cheques are to be securely stored in a locked receptacle.

Cheque signatories are not to have access to blank cheque stationery.

The School Secretary is responsible for maintaining the stock of cheques.

Bank payment cards

All bank payment cards are to be securely stored in a locked receptacle.

VAT Receipts for all purchases must be retained and passed to the School Secretary for processing.

All purchases should have the appropriate level of authorisation as in Authorisation of Orders (above). A single transaction limit of £500 and a monthly limit of £1,000 has been set for the card. Attempts to purchase in excess of these limits will be declined.

The School Secretary is responsible for reconciling the relevant card statement, receipts and bank reconciliation frequently, ensuring records are accurate and investigating if necessary.

Authorized payment card holders

School Secretary (as approved by Governors).

Allstar fuel cards

The Allstar fuel card can only be used for the purchase of fuel and oil, and is restricted by use for the registration number of the school mini-bus.

Receipts for all purchases must be retained and passed to the school secretary for processing.

The fuel card must be securely stored in a locked receptacle.

Petty cash limits

The school shall not operate a petty cash account.

Official funds held as cash

The school may hold up to £3,000 cash and £40,000 in cheques within a safe which is secured to the floor or wall, in order to satisfy the Council's insurance arrangements.

Up to £1,000 in cash may be kept in a locked secure receptacle. (Limit on cheques as above).

Cash in transit may not exceed £3,000.

Cash taken home for "safekeeping" may not exceed £300.

The insurance restrictions above relate to any cash or cheques that the school is responsible for.

The cheques limit applies in all cases.

Capital expenditure limits

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

Asset & bad debt write off

The Headteacher has authority to write off any single asset or bad debt up to a maximum value of £100.

Items in excess of £100 may only be written off with the authority of the Finance Committee.

All write-offs must be reported to the governing body.

PART C: STANDARDS FOR FINANCIAL MANAGEMENT & ADMINISTRATION

General

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

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

All systems of financial management and administration should, so far as is reasonably possible, incorporate adequate controls designed to promote the orderly, secure and efficient processing of financial activities. In particular, systems should, where possible, incorporate the principle of "internal check" or separation of duties; this means that duties should be structured in such a way that the work of one person automatically acts as a check on the work of another. (An example of internal check is where one employee maintains records of debtors' invoices but money received in respect of the invoices is receipted and banked by another employee - by separating the duties the risk of manipulation of records and money is reduced).

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

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

Budget preparation

Budgets should be prepared:

- in accordance with the requirements of achieving efficiencies and value for money
- to reflect the priorities within the School Development Plan
- in accordance with the provisions of the Council's Financial Management Scheme
- within the limit of the approved overall budget share
- in accordance with properly approved and clearly stated plans and policies for the school's activities
- linked to the needs identified in the School Development Plan
- in a format which will meet managerial needs and be readily intelligible to users
- in accordance with sound accounting principles; these imply that financial estimates should be based on the most up-to-date and reliable information available, include provision for all approved activities, include provision for contingencies, be arithmetically correct, be consistent with recognised accounting practice and meet requisite time limits
- in such a way as to facilitate the subsequent monitoring and control of actual expenditure

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

Budget control

Arrangements for the control of budgets should seek to ensure that:

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

Such arrangements should include adequate procedures for:

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

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

Budget review

Arrangements for financial management and administration should incorporate adequate provision for the review of budgets to establish whether the school's delegated budget is being deployed in the most effective manner for the purpose of achieving managerial objectives.

Documentation of systems and procedures

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

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

Training

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

Computing arrangements

Where computing facilities are used for financial management and administration, arrangements for their use should:

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

In particular, such arrangements should make proper provision for:

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

Financial stationery

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

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

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

Financial records - general requirements

All financial records, including computer records, should be:

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

Financial records - retention of

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

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

Income records

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

Expenditure records

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

Year-end record

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

CFR Balances Table

Fund Review

FMS Final Report

Summary of Schools CFR Data

Income & Expenditure Final Report

Consistent Financial Reporting Final Report

Summary Trial Balance.

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

Reconciliation and Declaration of Year End Balances

Resource Statement

Statement of Carry Forward & Interest

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

Salaries and wages records

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

Trust funds

These should be kept indefinitely.

Grants

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

Retention of non-financial records

Refer to Appendix 1.

Operation of official bank account

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

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

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

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

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

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

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

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

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

Operation of bank payment card

An official bank payment card has been issued by Cornwall Council to the school secretary. The cardholder is restricted to purchasing limits as defined in Part B: Schedule of Financial Limits, and a standard set of Merchant Category Groups which may be changed only on written request by the Headteacher or Chair of Governors.

The cardholder may only use the card for business purposes, and making private purchases (even if subsequently paid back into school funds) is strictly prohibited.

The cardholder is the only person allowed to use the card, and they are not allowed to give the card, card number, pin or any password associated with the card to any other member of staff.

RBS (the operator of the bank payment card) has set up a separate account which incorporates all the Cornish School's under the umbrella of the County's account. RBS will issue a debit request for each card and the school's bank account will be debited individually on a monthly basis as purchases are made.

At the end of each month a statement will be sent to the school and will be reconciled by the school secretary to the purchase receipts and the bank statement.

Any unresolved reconciliation questions must be referred to the Payments Control Team at County Hall who are the administrators of the scheme.

Operation of Allstar fuel card

The Allstar fuel card is issued to a specific vehicle, the school minibus, and cannot be used to purchase fuel for any other vehicle.

The card is issued for the purchase of fuel and oil only and all other purchase types are barred.

At the end of each month, the school will be sent an invoice for the fuel that has been purchased. This will be reconciled by the school secretary to the purchase receipts, before being passed for cheque payment in the usual way.

Payments - general

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

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

Procurement arrangements and contract renewals

Contracts

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

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

Procurement arrangements

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

Petty cash

Payments from petty cash should meet the general requirements for all payments set out above (see 'Operation of official bank account'). Additionally:

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

Income

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

- adequate records are maintained to substantiate all income transactions
- receipts are issued for all cash income received
- procedures for debt recovery must be in place and annually reviewed
- prudent terms for credit are approved and communicated to debtors and satisfactory procedures (including, where necessary, withdrawal of credit facilities) are adopted for dealing with breaches of terms
- invoices are raised in respect of all credit income and all such income is collected in accordance with approved instructions
- all income received at the school's premises is held securely and banked promptly and intact
- amounts due are calculated in accordance with approved charging policies which include provision for annual review of charges
- where special conditions apply to the use or receipt of income, such conditions are adhered to
- income is not withheld for any purpose, including personal use
- every person paying money into a bank account shall enter on the paying-in slip and on the counterfoil or duplicate thereof, particulars of such payment including, in the case of each cheque, particulars which will connect each cheque to the transaction to which it relates
- all income transactions are recorded promptly and accurately in the school's financial information system
- income due is not written off unless the write-off is properly authorised in accordance with approved policies
- Cornwall Council's policy on Money Laundering, as set out in its Anti-Money Laundering Policy is: "Under no circumstances should an amount in cash in excess of £5,000 (five thousand pounds) be received by anyone on behalf of Cornwall Council in payment for any goods or services supplied or provided to any customer of the authority unless approval has been prior obtained from the Section 151 Officer or his representative since such acceptance would have serious implications under the legislation governing criminal activity of money laundering, including the need to register the Council as a High Value Dealer, as defined by legislation." Governors and Head Teachers should also be wary of accepting and banking cheques that are clearly gross

overpayments; for example, if a parent were to pay the sum of £1,500 instead of £150 for a school trip then the cheque should be returned with a request for a new cheque to be issued for the correct amount. By banking the original cheque for £1,500 and issuing a refund of £1,350, one could unwittingly facilitate the laundering of money.

Insurances

Insurances, however arranged, should be managed so as to:

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

Assets

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

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

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

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

Where assets become obsolete or are damaged so as to render further use, for any reason, inappropriate they should be written off, provided they have no net resale value. All write-offs must be properly recorded and reported.

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

- they should be legal and in conformity with any Government requirements from time to time in force
- they should be in accordance with any Governors' policy
- they should promote scope for competition among potential purchasers

- they should ensure that appropriate steps are taken to establish properly the value of the items to be disposed of (if the goods or materials were vatable on purchase, then the income for the sale of these items must show VAT)
- they should be demonstrably fair and open and should avoid creating an unfair advantage for any interested party
- they should be appropriate having regard to the nature, value and current state of demand for the item(s) involved
- no asset which originally cost more than the amount specified in Para. 7. of Appendix C of the Financial Regulations for Schools or which is likely to have a sale value in excess of the amount specified in the Financial Regulations for Schools should be disposed of without reference to the Section 151 Officer as such a transaction may have capital implications.

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

Other school funds

The school shall not have voluntary or private funds.

Intellectual property

In respect of Intellectual Property, Governors should ensure that:

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

Commercial activities

General

The Headteacher on behalf of Governors shall be responsible for protecting the interests of schools in relation to any activities having a commercial content which they undertake.

In connection with any activity having a commercial content, the Headteacher, on behalf of Governors, shall not enter into any arrangement which involves a school in the creation of a company or a partnership or a joint venture or other joint arrangements for the operation of commercial activities, without the agreement of the Section 151 Officer.

Expenditure for purpose other than educational purposes

If, in connection with activities having a commercial content, the Headteacher, on behalf of Governors, wishes to incur expenditure which is primarily for commercial purposes or which exceeds the level which is necessary to sustain the educational purposes involved in such activities, shall submit detailed proposals for such expenditure to the Section 151 Officer before any commitment is undertaken and proposals shall not proceed without their agreement.

In considering any such proposals for expenditure on commercial activities the Section 151 Officer shall consult with the Head of Legal, Democratic and Procurement Services as necessary and shall seek the instructions of the Council's Executive Committee where proposals involve any change in financial policy.

Investments

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

External arrangements – partnerships

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

- compliance with any relevant Codes of Practice or Partnership Protocols and to obtain advice on the legal and taxation consequences before setting up any partnership or joint venture arrangements with outside bodies
- maintaining a register of all contracts entered into with external bodies in accordance with Cornwall Council Financial Regulations and Contract Procedure Rules as specified by the Section 151 Officer
- ensuring that, before entering into agreements with external bodies, a risk management appraisal has been prepared for the Section 151 Officer
- ensuring that such agreements and arrangements do not impact adversely upon the services provided by the school or Council
- ensuring that all agreements and arrangements are properly documented
- providing appropriate information to the Section 151 Officer to enable a note to be entered into the Council's statement of accounts concerning material items.

PART D: PROCEDURE NOTES

Organization of responsibility and accountability

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

The Finance Committee will meet at least once a term and must have a quorum of three members, excluding the Headteacher.

The committee will draw up the school's annual budget for submission to the full governing body at the Spring Term meeting.

The Bursar and the Headteacher should meet each month to review the monthly financial budget statements. These statements are produced from the local payments and accounting system (FMS) and can be obtained on request. The annotated statement or Management Account Report is then forwarded to the Finance Committee on a monthly basis and a Finance Committee Meeting is held.

The Finance Committee will receive copies of all monthly financial budget statements and the Headteacher will present to the Committee a summary of current expenditure at their meetings as a means of reviewing the budget. The most recent statement and minutes of the committee's meetings will be presented to all Governors at the termly Governors' meeting.

The Headteacher shall have the authority to vire within the set budget but must report this to Governors at the next Finance Committee meeting.

The committee will have delegated authority to move finances from the contingency funds up to a limit of £5,000, excluding any single item of expenditure exceeding the sum of £5,000. Items exceeding these limits, as appropriate, must be approved by the full governing body and this may require the calling of an extraordinary meeting if urgent action is needed.

The Headteacher has delegated authority to manage the set budget within the parameters agreed by the governing body and to work within a purchase limit of £5,000 per single item, including minor repair and maintenance works relating to the fabric of the school site. Any single transaction of an urgent nature over £5,000 must be approved by the Chair of Governors and the Chair of the Finance Committee up to a limit of £10,000.

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

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

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

In all cases, should any governor or staff member have a business or pecuniary interest in such matters this must be declared to the governing body and Headteacher and such notifications recorded in a register.

The Headteacher has delegated responsibility to oversee the daily organisation and control of budgetary matters. This includes the following:

To ensure sources of finance dealt with by the school are accounted for in an overt manner with the necessary book-keeping.

To ensure procedures involving ordering, receiving and the payment of goods are within approved budgetary provision.

To ensure payments are correct and paid only once.

To ensure statutory requirements are met, for example HM Revenue and Customs regulations relating to VAT, PAYE and Construction Industry Tax.

To ensure all processes, and particularly payments, are updated to the school's financial information system accurately and promptly.

To report back initially to the Chair of Governors about any matters of concern and inform the Finance Committee, in particular, of any new initiatives from the DFE or LA that affects the budget e.g. Further delegation, grants etc.

Following the auditor's visit, upon receipt of the subsequent written findings, a copy of the report is seen initially by the Chair of Governors and the Finance Committee. The report is then presented to the full governing body so that all Governors are made aware of the current practice and are given the opportunity to debate and formulate an action plan if appropriate.

In all cases the above responsibility applies to the Deputy Headteacher at times when the Headteacher is unavailable.

Budgets

When preparing its annual budget, the Governors work within the following aims and objectives:

- To ensure that spending priorities match educational priorities and that both reflect the school's aims. These include maintaining teaching and non-teaching staff levels incorporating the remedial teaching allocation; supporting the charging policy; updating and replacing resources to support new initiatives and curriculum development and should be linked to the School Development Plan and any relevant Ofsted Action Plan.
- To manage financial resources so that priorities in the school development plan can be effectively accomplished within a framework that will meet the professional needs of staff through in service training and purposeful appraisal.
- To ensure that Health and Safety requirements are met.
- To maintain and create a pleasing working environment including a good state of decor and repair, adequate heating and lighting.
- To support effective management and administrative needs.
- To have due regard for the achievement of economy, efficiency and effectiveness with the finances of the school in order to maximise value for money.
- To ensure that the budget stays within the financial allocation, including any reserves brought forward. If a deficit budget is required, approval should be sought from the Local Authority by way of official application for a licensed deficit.

Budget planning

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

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

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

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

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

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

The monthly statement will be sent to members of the Finance Committee for a meeting of the Committee. This enables Governors to ensure that their agreed Terms of Reference regarding financial matters, and especially expenditure, are adhered to.

The latest financial review must always be considered at Governors' meetings.

Ordering goods and services (purchasing)

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

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

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

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

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

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

Receipt of goods and services (internal financial control)

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

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

Processing invoices for payment

Official invoices will be processed for payment by the School Secretary and authorised by the Headteacher or Deputy Headteacher (it being established that whoever ordered the goods cannot undertake this process).

Invoices must be verified against the original order or delivery note, where applicable, stamped with a payment certification stamp, annotated as necessary and processed on the FMS system.

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

Cheque production

Cheques must be kept in a locked receptacle when not in use.

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

Cheques must be signed in accordance with the schedule of financial limits and then sent to suppliers. In the case of payments exceeding £5,000, the signature of a Governor is also required.

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

BACS payments

Where possible suppliers will be paid by BACS.

The detailed BACS print will be signed in accordance with the schedule of financial limits and then the corresponding file imported into Bankline (the system for making BACS payments) for payment.

The invoice and copy order if applicable must be attached to the detailed BACS print and numerically filed for a retention period of six years plus the current year.

Reconciliation

After cheques have been presented for payment or BACS payments made, reconciliation of the weekly bank statements must then be undertaken by the School Secretary and approved by the Headteacher, and the FMS system updated within a few days of receipt and at intervals of at least monthly.

In the case of monthly statements, the reconciliation should be undertaken within a few days of receipt. All reconciliations should be signed and dated by the officer completing and reviewing such.

Copies of statements and the current budgetary balance must be filed numerically.

Petty cash (using imprest system)

The Governors have agreed a limit of £NIL to be held for petty cash. If petty cash were used, the following would apply.

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

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

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

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

Income

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

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

The School Secretary must record all sources of income in writing, daily or upon receipt, as appropriate. These must be entered onto the relevant income forms or books and lettings register which should be kept in the office.

A register must be kept of all lettings and receipts issued which must subsequently be used for reconciliation purposes on the computer system. Income transactions must be entered onto the computer and the School Secretary must bank the fees upon receipt.

All monies received must be 'bagged' in separate, labelled containers (for immediate accountability or access) and secured in the school safe prior to banking (Key holders: Headteacher and School Secretary only).

Income collections must not be used for encashment of personal cheques.

Debt Recovery Procedures are laid out below.

Banking arrangements

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

For security purposes, cheques must not be pre-signed and blank cheques must be locked in the office safe.

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

In order to maximise interest on its account, the LA retains the bulk of the school resources for investment purposes. The school is only advanced sufficient funds based on the approved non-payroll element of the current year budget, plus other fund allocations such as Standards Fund. These monies are retained in bank accounts which are sub-accounts of Cornwall Councils County Fund Account and are, therefore, consolidated at the end of each day in order to further maximise the earning potential of those resources.

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

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

Personnel records and payroll reconciliation

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

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

Under the direction of the Headteacher and in accordance with the pro-forma variation sheets provided by the Payroll Section, the School Secretary will administer all aspects of appointment and termination of teaching and non-teaching staff posts. This must be checked and signed by the Headteacher or Deputy Headteacher before posting.

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

The school should receive a monthly reconciliation of payments made to staff during the previous month via Secure Transfer file. This should be used to update the transaction data in FMS. Full procedure notes on this exercise are held at the

school. This procedure will usually be completed monthly by the Schools or LFS Technician with the School secretary reviewing all data and must be signed, dated and checked back to the school's staffing list.

Insurance

The Governors must annually review the risks to which the school is exposed.

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

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

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

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

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

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

Claims

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

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

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

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

Computer systems

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

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

For additional security, at the end of each working day, or as appropriate, a back-up must be taken of all transactions, dated and the information kept in a secure location.

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

Security of stocks and other property

Governors may allocate a specific amount of capital for consumable items to each budget holder as appropriate to their needs at the beginning of the financial year. In addition to this, the Headteacher may authorize supplementary resources for class administration and assessment, displays etc.

Details of expensive items of equipment (over £100) or those deemed removable or desirable are recorded upon delivery by the Admin Assistant in the Stocks and Stores inventory. Stock-taking of these items must be carried out annually.

All write-offs or disposal of surplus equipment must be recorded and certified in the Stocks and Stores spreadsheet by authorised signatories or that of the Chair of Governors for items valued in excess of £100.

During term time, alarm systems are activated overnight and steps taken by staff to prevent computer equipment etc. being on display.

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

The Headteacher and School Secretary will be the only members of school staff who act as key holders and, in the unforeseen event of keys being mislaid, the Headteacher must be informed immediately.

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

In the event of loss of money from the Authority's premises, and whilst in transit in the custody of the Insured's employees. There is also a certain amount of cover for school private funds.

The maximum amount of liability in respect of any one loss from a locked receptacle (other than safes and strong-rooms) is £1,000. If money is lost from a safe or strong-room, the limit is higher and depends on the type and location of the safe in question.

As far as school private funds are concerned the current limits under the policy are as follows:

- Money in any school premises in wall safes, locked cupboards, or similar locked receptacles, £1,000
- In floor safes or other free standing safes, £3,000.
- Money in transit in the custody under the control of the Insured's employees £3,000

School voluntary & private funds

The school shall not have voluntary or private funds.

School reserves

School reserves must be reviewed at least annually, this normally being at the time of budget setting, i.e. February or March.

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

Current specific reserve options are:

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

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

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

Removal & interview expenses

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

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

Debt recovery procedures

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

1st reminder letter – 32 days after the invoice date (sample attached)

2nd reminder letter – 10 days after the 1st reminder letter (sample attached)

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

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

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

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

- Write off
- Instigate legal proceedings
- Referral to 3rd Party Collection Agents

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

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

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

Credit Management Services: Code of Practice

We do not use oppressive or intrusive collection methods.

We do not act in a manner intended to embarrass the debtor.

We are circumspect and discreet when attempting to contact the debtor, whether by telephone, letter, or by personal visit.

We ensure that all attempted contact with the debtors is made at reasonable times and at reasonable intervals.

Unless instructed otherwise by the debtor, we do not discuss with or disclose to neighbours, relatives or employers a consumer's indebtedness.

We do not use improper means to obtain the telephone number or the address of the debtor.

We do not pressure debtors to sell property or raise funds by further borrowing.

We do not falsely imply that criminal proceedings will be brought nor that civil action has been instituted in default of payment.



Title, initial, surname

First line of address

Second line of address

Town

County

Postcode

Date:

Dear <Name>,

INVOICE NUMBER:

ACCOUNT NUMBER:

INVOICE DATE:

AMOUNT OUTSTANDING:

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

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

If you do not dispute this invoice, please forward your payment of £ **within seven days from the date of this letter**. Your remittance should be made payable to CORNWALL COUNCIL and sent to The Chief Cashier, County Hall, Treyew Road, Truro, Cornwall, TR1 3AY.

If you would like to pay this invoice by credit or debit card, please telephone The Chief Cashier on 01872 322644 and have your card details available. Alternatively, please complete the instructions on the reverse of this letter.

Please return this letter or the slip from the foot of the invoice with your payment and quote the above Account Number and Invoice Number in all correspondence.

Thank you for your co-operation.

Invoice Number:

Account Number:

Please complete the relevant section below and return this form within seven days to:

Credit Management Services, Cornwall Council, County Hall, Truro, Cornwall, TR1 3AY

FAX: 01872 323848

1. If you have paid this invoice, please provide the following details

Your name:	Your telephone no:
Total amount of payment:	
Method of payment:	
Date of payment:	
Date the payment cleared your bank account:	
Address to which payment was sent or taken:	

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

Your name:	Your telephone no.:
Details:	

3. If you wish to pay this invoice by credit or debit card, please complete the following details and return this letter to the address at the top of the page:

I wish to pay this invoice by MasterCard / Switch / Visa / Delta / Visa Electron / Solo (*please delete as appropriate*)

Customer number	
Name on card	
Card number	
Amount	£
Valid from	
Expires end	
Issue number (Switch only)	
Authorised signature	
Date	
SIC number	
Invoice number	
Customer name	
Customer address	
Postcode	
Telephone number	

Title, initial, surname

First line of address

Second line of address

Town

County

Postcode

Date: 6 October 2018

FINAL NOTICE

Dear Sir/Madam

INVOICE NUMBER:

ACCOUNT NUMBER:

INVOICE DATE:

AMOUNT OUTSTANDING:

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

If you do not dispute this invoice, please forward your payment of £<amount> within 7 days from the date of this letter.

Your remittance should be made payable to CORNWALL COUNCIL and sent to The Chief Cashier, County Hall, Truro, Cornwall, TR1 3AY. Please return this letter with your payment and quote the above Invoice Number and Account Number in all correspondence.

If you would like to pay this invoice by credit or debit card, please telephone The Chief Cashier on 01872 322644 and have your card details available. Alternatively, please complete the instructions on the reverse of this letter.

If you have any outstanding dispute or query regarding this invoice or have already made payment to us, please use the form on the back of this letter to notify us immediately. If you have difficulty in paying this invoice, please contact Credit Management Services immediately.

Thank you for your co-operation.

Invoice Number:

Account Number:

Please complete the relevant section below and return this form within seven days to:

Insert School Name and Address

1. If you have paid this invoice, please provide the following details

Your name:

Your telephone no:

Total amount of payment:

Method of payment:

Date of payment:

Date the payment cleared your bank account:

Address to which payment was sent or taken:

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

Your name:

Your telephone no:

Details:

3. If you wish to pay this invoice by credit or debit card, please complete the following details and return this letter to the address at the top of the page:

I wish to pay this invoice by MasterCard / Switch / Visa / Delta / Visa Electron / Solo (*please delete as appropriate*)

Customer number	
Name on card	
Card number	
Amount	£
Valid from	
Expires end	
Issue number (Switch only)	
Authorised signature	
Date	
SIC number	
Invoice number	
Customer name	
Customer address	
Postcode	
Telephone number	

APPENDIX 1: NON-FINANCIAL RECORDS – RETENTION OF

The table below summarises the type of record and the period for which they need to be retained

Record	Retention Period (years)
Absence Records	6
Accident Books	Pupil records until age 26; 3 years for the rest
Admission Registers	3 (then to Archivist)
Attendance Records	3
Child Protection Issues	To be held centrally
Circulars to Parents	3 years
Complaints – Parental/Pupil/Employees	Until 26 years old (Pupils/Parents) Until 75 years old (Employees)
DfE returns and supporting paperwork	6 + 1
Employment Application Forms	Successful applicants – see Personnel Records Unsuccessful applicants – 6 months
Exam Results	6
Free School Meals	6 + 1
Form 4/Form 7 returns	6 + 1
Governors' Meetings minutes	6 (then to Archivist)
Home Tuition	Until 26 years old
HSW5	Until 26 years old for pupil records, 3 + 1 for all others
Log Books	To Archivist upon completion
Personnel records	Generally 5 years after employee has left, but records of anyone leaving under unusual circumstances to be kept indefinitely
Prospectus	Keep until youngest child that year is 26 years old
Punishment Books	3 (then to Archivist)
Pupil records	6 + 1
Payroll & Travel records	10 + 1
School Meals	3 (as long as needed for Admin purposes) registers returned to Internal Audit at end of each term.
SEN records	75 years
Staff Meetings minutes	To Archivist after use
Statistical Returns	6 + 1 (held centrally)

Record	Retention Period (years)
Student Services Student Record Card	5 + 1
Supply Cover Insurance	6 + 1 (Shred)
Syllabus	Keep between Ofsted Inspections
Teachers' Files	Generally 5 years after employee has left, but records of anyone leaving under unusual circumstances to be keep indefinitely
Theft & Vandalism Scheme	6 + 1 (Shred)
Timetables	Keep between Ofsted inspections

APPENDIX 2: DECLARATION OF BUSINESS, PECUNIARY & OTHER INTERESTS

School or Academy	
Name of Governor or Member of Staff	

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

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

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

Which Interests Should I Declare?

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

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

When Should I Declare Them?

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

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

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

Are you (or any one of the relationships shown above) an employee of the School?	YES	NO

Please give details of your role:

Are you (or an interested other) an employee, governor, trustee or volunteer at another school, college, multi-academy trust or academy chain?	YES	NO
<i>Please include all primary, secondary, post-16 settings:</i>		
Are you (or an interested other) a parent of any children aged 18 years or less educated in Cornwall?	YES	NO
<i>Please give details:</i>		
Do you (or an interested other) have any directorships, partnerships or employments with businesses that provide goods or services to the school or other local educational institutions – or potentially could in the future?	YES	NO
<i>Please list the name(s) of the business, the nature of the business, the nature of the interest and the date the interest began:</i>		
Please tell us about any other interests which you consider significant – including you (or an interested other) being a member or officer of any local community organisation, charity or other public body or holding shares in an interested business?	YES	NO
<i>Details:</i>		

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

Signed	
Dated	

Reviewed by Chair of Governors

Signed	
Dated	