

Heathfield

Community School



FINANCE POLICY

Reviewed : July 2019

Approved by the Governing Body of Heathfield School

Chair of Governors _____pp James Stone_____

Date _____10/07/2019_____

Proposed date of future review _____July 2021_____

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INTRODUCTION

The Finance Policy has been adapted to reflect the individual needs of Heathfield Community School 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:

a) 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.

For a copy go to IPOST ID-2-5639

b) Financial Guidance issued by Education Financial Services

This includes :

- Financial Guidance – Budget Planning
- Financial Guidance – Reconciliation
- Financial Guidance – Financial Reporting
- Financial Guidance – Income
- Financial Guidance – Petty Cash for Local Payment Schools
- Financial Guidance – Working with SIMS

A full list of documents is available at IPOST-2-3782

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 and The Governors Handbook
- Responsible for the well-being and control of staff (Whole School Pay Policy).
- Responsible for security, custody and control of resources of 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 the LA.
- Must comply with responsibility in relation to Health and Safety. See Financial Management Scheme section 12 – H&S.
- 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 (see further in this section). 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.
- Appoint a Clerk to the Governing Body (other than a governor or Headteacher) who will attend regular Clerk's briefings and ensure the efficient functioning of the Governing Body.
- 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. A Governor must withdraw from meetings where he or she has a financial interest in any matter under consideration.
- Responsible for setting of de-minimus levels 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 School Development Plan (SDP), future commitments, student numbers etc. Details of the budget plan must be sent to Education Finance Services, with the assumptions underpinning it.
- Approving at least six signatories 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 £500 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 once per year.
- Money may only be borrowed with written permission of the Secretary of State. This does not apply to Trustees and Foundations (see Section 3.4.1, 2 & 3 of the Financial Management Scheme).
- Approving the write-off of debts over £1000
- The drafting and recommendation to the Governing Body of the annual budget.
- The monitoring of the budget, expenditure and income, and to ensure expenditure does not exceed the available budget in total.
- Authorising, in advance, virements exceeding £2000, a figure agreed by the full Governing Body (See Section 3 – Virements).
- 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.
- Approving high level purchases and contracts prior to an order being placed.
- Ensuring that a full financial report is delivered to the Governing Body twice yearly – in the Autumn term and following the end of the financial year.
- Ensuring that a detailed budget report is delivered to the Governing Body at least once every term and looking at emerging trends, detailed variances, budget movements and making remedial plans where required.
- Maintaining a Charging for School Activities Policy in conjunction with the sports committee.
- Maintaining a Lettings Policy and report to full Governing Body once a year.
- Approve the writing off of bad debts over £50, subject to paragraph 2.1.8 & 2.1.9 of the Financial Management Scheme.
- 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 as necessary.
- Agree costings and budget forecasts for the 3 Year School Development Plan.
- Ensure compliance with all LA requirements.

Responsibilities of the Headteacher

The Governing Body has delegated the following responsibilities to the Headteacher (or deputy in his/her long term absence):

- Leading and managing staff to secure improvement.
- The efficient and effective deployment of staff and resources.
- Accountability to Governors and others, such as parents, students, staff and the local community.
- Ensuring all reasonable action is taken to minimise risks.
- By 31 March each year, or within 60 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 the school bank account, 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.
- Submitting a written report to Governors at least termly on the progress of the budget, explaining variations from expected spend/income and advising on the likely final position.
- Informing the EFS 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.
- Authorising virements below a level of £2000. (See Section 3 – Virements).
- Reporting virements and budget movements to the Full Governing Body for their approval.
- Submitting a formal response to the Head of Audit Services 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.
- Responsibility for controlling access to all data in the school in accordance with the Data Protection Guidelines and Codes of Practice.

- Submitting a signed copy of the annual lease return to the LA.
- Delegation of the day to day management of the non-staffing budgets to members of the SLT.
- Authorising orders of over £2000.

Responsibilities of the Business Manager

- Prepare 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 £50 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/BACS Payments (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 reimbursements or 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.
- Pursuing bad debts and recovering wherever possible. Write off below £50.
- Monitoring the budget, providing information and/or financial reports for the Headteacher, Governors, LA and budget holders as required and raising any concerns on any significant trends and expenditure.
- Maintaining separate official and unofficial 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, along with supporting information is 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.
- 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.
- Carrying out end of year procedures for closing old year accounts in accordance with the timetable issued by Education Financial Services.
- Maintaining an up to date inventory of school equipment in conjunction with IT and each department.
- Ensuring adequate back-ups are maintained of computer based information for finance information.
- Day to day management of the non-staffing budgets.
- Signing of official orders.
- In the absence of the Headteacher, undertakes the responsibilities of the Headteacher and ensures that an authorised person other than themselves, sign orders.

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 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.

Below is an example of how the division of duties can work in practice to minimise the risks involved: -

- (1) Individual staff complete a requisition form for goods and services required.
- (2) Authorised signatories sign the requisition form (or e-mail), with the appropriate cost centre identified.
- (3) Using the requisition form, the Finance Officer prepares orders on SIMS FMS, having ensured that the goods/services required are within the budget plan and there are sufficient funds in the cost centre.
- (4) The Finance Officer checks the official order against the requisition form before signing the order as correct.
- (5) Upon receipt of goods, the budget holder or delegated person checks the delivery note, to ensure that the goods listed have been "received" and back to the order to see if any items are outstanding. Checks are evidenced in writing and the delivery note is then passed to the Finance Officer.
- (6) When the invoice is received the Finance team checks the invoice against the delivery note/order. Orders above £2000 will be double checked by the Finance Manager / Business Manager.
- (7) Finance team processes the invoice against the original order on SIMS FMS.
- (8) Finance Manager checks and signs the invoice batch header to allow the Headteacher to arrange payment of the invoice.

No alterations are made to any invoices. If a change is required, the Finance Officer requests an amended invoice from the supplier. A minimum of 2 members of staff are required to ensure division of duties.

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.

Authorised Signatories

Authorised signatories have been agreed by Governors. A list of personnel authorised to sign orders, invoices, cheques, BACS etc. is detailed in the minutes

of the Governors' meeting at which they were agreed and are detailed in the following guidance.

Reconciliation

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

Retention of Records

Financial and Personnel information needs to be retained for Inland Revenue and HM Customs and Excise purposes. See Appendix 2 for details. Documents are archived annually by the Finance Officer, as appropriate.

A written log of any instances of fraud, theft or incidents/irregularities detected in the last 12 months, must be 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 Section 251 Statement, received in March. 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 trading activity.

Preparation of the School Budget

The school must ensure that the priorities within the School Development Plan (SDP) contain accurate financial estimates and form the driving force of the budget with an emphasis on Best Value. The draft budget is prepared by the Business Manager in conjunction with 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, SIMS FMS reports detailing income and expenditure are produced for the Headteacher and budget holders.

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

Budget holders receive and review their monthly reports comparing the amount committed/ spent against their budgets.

The budget monitoring report is presented regularly (at least once a term) to the Full Governing Body. 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. This is then reported to the Full governing body at least twice a year.

It is anticipated that the school may go into a deficit situation by the end of the financial year, the Headteacher will inform the School Funding & Accounting 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 in line with the SDP.

Virements (Budget Movements)

The Governing Body has agreed that budget virements of up to £15000 termly can be actioned, without its prior approval, to allow some flexibility within the everyday running of the school.

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

When placing an order, value for money must be taken into account.

Department Heads are authorised to order items up to the value of £200. Purchase Orders above £200 but less than £2000 must be authorised by the Finance Manager or the Business Manager.

Three quotations are required for individual purchases or services or contracts over multiple years exceeding £2,000 in value. If the lowest quote is not accepted, the reasons are reported to the Governing Body and recorded in the minutes of the meeting.

Governors' approval is required for orders of an individual item or contracts over multiple years exceeding £15,000 and this should be recorded in the minutes of the meeting.

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 and 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.

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 £15,000 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 or the Service Manager, Schools Funding and Accountancy Team (SFAT) cypfinance@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 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.

Requisition and Ordering

Requisition forms must be completed by staff and signed by the budget holder, 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 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.

All official orders are printed on controlled stationery and if over £200 signed by an authorised signatory taking account of division of duties.

The authorised signatories are:

- 1) Julie Taylor (Business Manager)
- 2) Clare Ousley (Finance Manager)
- 3) Peter Hoare (Headteacher)
- 4) Karl Husband (Assistant Head)
- 5) Ian Grant (Assistant Head)

Orders over £2000 can only be signed by the Headteacher (or the Deputy Head in his long term absence).

All official order stationery is kept in a locked office. The order stationery control sheet is updated for all orders including order sheets spoilt.

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.

Internet orders are subject to the same requirements as an official order and can be placed through the Finance Office using any SCC approved credit card holders.

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.

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 (e.g. 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 Business Manager or Finance Manager for authorising prior to the Finance Officer processing on SIMS FMS. The printed authorisation list (from SIMS FMS) is also certified before a cheque or BACS payment is raised. The invoice is attached to the authorisation list.

Procurement Cards (P-Cards)

A Procurement Card is a quick, simple and easy way to pay for low value purchases. The card is issued by Somerset County Council, and its use complies with the Purchase Card Procedures guidance, which is issued to all cardholders at individual initial briefings. Supplementary guidance that is issued periodically is also adhered to.

Governors agree that the school has 3 procurement cards with National Westminster Bank and held by:

- 1) Julie Taylor (Business Manager)
- 2) Clare Ousley (Finance Manager)
- 3) Lisa Parker (Finance Officer)

Purchases are only made for authorised goods or services on behalf of the school (Somerset County Council).

The school ensures that division of duties is adhered to and that expenditure is authorised by an appropriate person.

Division of duties for P-Cards:-

- 1) An independent authorising officer checks the invoice against the transaction log (along with appropriate receipts).
- 2) The Business Manager or Head teacher approves the payment of the invoice.

BACS PAYMENTS – PROCEDURE

As part of the payment procedure for BACS payments, the following procedure has been agreed:-

- 1) The Finance team will create the batch file and produce the necessary paperwork including the BACS RUN REPORT.
- 2) Two people required to check the correct costings have been applied and attach each individual order to the BACS RUN REPORT (to avoid unnecessary work in the future). Once this has been undertaken before the file is created. The Finance Officer will seek the authorisation of 2 signatories to confirm the accuracy of the payments. If there are payments to be made to finance office staff, then these will be highlighted and initialled by the approved signatories.
- 3) Once the payments are agreed authorisation is gained, the Finance team will upload the TXT file to the Bankline System and provide the first payment authorisation 'Challenge Code.'
- 4) Once the Finance Officer has completed these tasks, then the Finance Manager will provide the second 'Challenge Code' to release the payment from the school bank account. Or the two above roles can be reversed.

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 all maintained 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 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 for School Activities 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).

Income from Sales on eBay (or other online selling vehicles)

Schools may auction items on-line. However they must adhere to the following advice:

- the school should risk assess the sale of all items, for example by making sure they are in good working order, with particular attention to electrical appliances.
- Schools are covered for liability under the Products Liability part of SCC's insurance. The insurance does not cover the cost to the school of refunding the transaction itself, i.e. reimbursing the purchase for a faulty item and postage and packaging, etc.
- The school should be aware of the sites [terms of use](#), in particular the Compensation clause.

Raising Invoices

An account is raised by the Finance Team via the school's own manual billing system, ensuring the invoice complies with the requirements for a tax invoice, e.g. 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 of several stages:

(i) Cash Handling

Cash handling guidance, as recommended by Internal Audit, is adhered to at all times.

Internal Audit, 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.
- Regular risk assessments are carried out in this task.

To ensure that staff, are aware of cash handling procedures, Internal Audit recommend that the school completed the following self-assessment:

- Have you provided training in personal safety for your finance staff?
- 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

No income is collected in class by the teachers. All income is received by staff in the Finance Office and is recorded on either SIMS FMS or Tucasi. Catering Income is collected in secure units on the school site, and brought daily to the Finance Office.

A receipt is offered by the Finance Office staff for any cash, postal orders and cheques received via the office, receipts will be issued for all cash over £100. If appropriate, termly receipts can be issued, e.g. swimming, dinner money, trips. In some cases, e.g. 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.

(ii) Reconciliation

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

Independent checks are made by the Business Manager or Head teacher to ensure that all income expected has been recorded, banked and received. The Headteacher then signed to approve. Evidence of these checks is made in writing.

Debts Policy

Bad debts are pursued by the Finance Team and money recovered wherever possible. Where money is not recovered, the matter is referred to the Business Manager for values less than £50, or the Finance Committee for more, 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 Managements Scheme (see section 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.

Process for debt recovery:-

Once payment is late (normal terms are 1 month following provision of service or due date) a letter is sent, including a copy invoice where appropriate.

After a further 2 weeks without contact they are phoned, this is followed by a second stronger letter where required.

After another 2 weeks, so a total of 2 months' consideration of involvement of a debt collection agency is made on a case by case basis.

SECTION 6 - BANKING ARRANGEMENTS

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:

- High Interest Account
- Current Account.

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

The Governing Body has agreed five signatories, one of which is the Headteacher, so that two people sign each cheque and a third person is available to cover for any absence. Seven sample signatories of each authorised person have been sent to the bank. Blank cheques are never signed.

The authorised signatories are:

- 1) Julie Taylor
- 2) Peter Hoare
- 3) Ian Grant
- 4) Karl Husband
- 5) Nicola Patmore

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.

When using Direct Debits and Standing Orders, the school ensures that:-

- A copy of the signed direct debit or standing order guarantee has been signed by two authorised signatories.
- An invoice/statement has been received prior to the payment due date. The payment is approved in advance by the school approved signatories along with other payments.
- Effective monitoring arrangements are in place for cash flow monitoring and to confirm accuracy of each payment (done during reconciliation).
- There is written evidenced of cancellation of direct debits/standing orders.

Controlled Stationery

All controlled stationery is kept securely in a locked space.

Spoilt cheques are attached to the back of the chequebook.

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 £500. 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.
- An emergency purchase 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, or 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 any cash are kept securely in the safe.

The recipient signs for any cash received.

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

The authorised signatories are :

- 1) Julie Taylor
- 2) Peter Hoare
- 3) Ian Grant
- 4) Karl Husband
- 5) Nicola Patmore

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).

Any petty cash claim for more than £25 will be reimbursed by BACS.

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 Business Manager 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 Business Manager before being submitted for reimbursement.

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

Reconciliation is completed every time a claim is made, including verification of the cash held in hand.

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 £500 (together with attractive portable items under £500 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 will be reviewed annually by the IT Manager and a report produced for the Finance Committee, with any discrepancies being investigated.

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.

Any income collected from students 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 or canteen. This is secured 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.

SECTIONS 9 - INSURANCE

Refer to the Financial Management scheme section 10

School Property Insurance (provided by the LA from retained budget)

The Schools Property Insurance policy covers the Building and Contents in the event of damage to property caused by the following perils:

- Storm and Flood
- Fire
- Earthquake
- Riot and Damage caused by Malicious Persons
- Escape of water
- Impact

The cover under this policy also extends to include the additional expenditure (Business Interruption Insurance.) This covers the reasonable additional costs and expenses in order to effectively continue administration and maintain services, this could include increased costs due to the enforced occupation of a temporary premises following an insurance claim.

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.

Extended School

The school ensures the correct use of school premises when used by a third party.

Vehicle Insurance

The school leased minibuses and owned vans are insured through Somerset County Council Fleet Insurance. When a vehicle is either purchased or is hired in by school, the school will either make insurance arrangements through County, or choose to take the hirer's comprehensive insurance cover.

School Activities Travel Insurance

The school buys into Schools Activities Travel Policy arranged by Somerset County Council. The Policy provides travel insurance cover for all insured persons (students, 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.

Lettings (Hirers) 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 £100 excess applies to all claims

A fee based on 12% of the hiring cost is added to the lettings charge.

Liability Insurance (provided by the LA from retained budget)

Provided is:

- Public Liability Insurance – for claims against the school by a member of the public (including pupils) arising from the schools negligence – usually injury sustained whilst on school premises, but this can include off site activities or trips.
- Employers Liability Insurance – for claims against the school by an employee arising from the schools negligence, including injury and illness.
- Other Liabilities - Officials Indemnity and libel and slander protect employees against errors, omissions, libel and slander.
- Money – covers loss, theft or damage of money up to £30,000

Not insured:

The school do not buy in to the following optional insurance policies provided by the LA:

BMIS or equivalent buildings maintenance

Additional School contents (balance of risk)

Supply costs

SECTION 10 - COMPUTER SYSTEMS/DATA SECURITY

The Data Protection Act 1998

The School and Governing Body register under The Data Protection Act. The Headteacher or the nominated Data Controller 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 has 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, monitored and reviewed regularly by the System Manager.

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.

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 school's 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 office as they contain personal information relating to staff employed at the school.

SECTION 11 - PERSONNEL/PAYROLL

Regulations

The school is aware that there a number of areas where Inland Revenue 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.

Authorised signatories for permanent / temporary contract changes, sickness, additional hours and overtime are:

Peter Hoare
Julie Taylor
Nicky Foster

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.

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.

All staff involved with Unofficial School Funds must ensure that their actions comply with the Financial Management Scheme section 2.8). 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 students.

The Unofficial Funds comprise:

- True donations, i.e. funds donated for the general benefit of the school
- Specific donations i.e. funds donated with contingent terms
- Fund raising activities
- Charity collections
- After-school activities (tennis/cricket etc.)
- School trips.

The Unofficial Funds are spent on: *(please add relevant details for your school)*

- Trips
- School activities
- Payment of the Auditor
- Equipment / Developments agreed on an individual item basis

Management of the Unofficial Fund

The funds are controlled by the Headteacher by reason of his or her employment by the LA.

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

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 Business Manager and the Finance Manager. However, the Headteacher is responsible for approval of all expenditure from the account.

Reports are made to the Full Governing Body concerning the balances and activities of the funds at least twice a year and this committee monitors performance closely.

Separation of Funds

The 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.

(i) Income

As soon as money is received, it is sent to the Finance Office for recording and for banking at the earliest opportunity. Where money is being collected in instalments from students, a collection record card is maintained for each student.

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) Expenditure

Any money paid out is by cheque or BACS.

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

The Governing Body has agreed five signatories:

- Julie Taylor
- Peter Hoare
- Ian Grant
- Karl Husband
- Nicola Patmore

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 before each monthly reconciliation and independently checked by the Headteacher. Evidence of these checks are 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 qualified Business Manager.)

The accounts are audited at the end of each academic year (i.e. 31 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 Business Manager/Finance Officer ensures that the accounts are prepared annually, audited and presents the audited accounts, the auditor's certificate 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 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.

Insurance

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

Charity Commission Registration

If the income exceeds a threshold determined by the Charity Commission, the school may register the fund with the Commission in order to obtain tax relief and possible further funding where only charitable status is considered. (See Charity Commission Website <http://www.charity-commission.gov.uk>)

Where the school fund has charitable status, the Governors will normally be the trustees of the charity. This is not currently the case for our school.

SECTION 13 - Charging For School Activities

PURPOSE OF POLICY

We believe that all our pupils should have an equal opportunity to benefit from school activities and visits (curricular and extra-curricular) independent of their parents' financial means. This charging and remissions policy describes how we will do our best to ensure a good range of visits and activities is offered at the same time, try to minimise the financial barriers which may prevent some pupils taking full advantage of the opportunities.

RELATIONSHIP TO OTHER POLICIES

The policy compliments the school's equality policy, curriculum policy, finance policy, educational visits policy and the teaching and learning policy.

ROLES AND RESPONSIBILITIES OF HEADTEACHER, OTHER STAFF AND GOVERNORS

The Headteacher, staff and Governors will ensure that the following applies :

No charges will be made for :

- Education provided during school hours (including the supply of any materials, books, instruments or other equipment).
- Education provided outside school hours if it is part of the National Curriculum, or part of a syllabus for a prescribed public examination that the pupil is being prepared for at the school, or part of the school's basic curriculum for religious education.
- Tuition for pupils learning to play musical instruments (or singing) if the tuition is required as part of the National Curriculum.
- Education provided on any trip that takes place during school hours. However, Governors have agreed that Voluntary Contributions may be requested.
- Education provided on any trip that takes place outside school hours if it is part of the National Curriculum or part of the school's basic curriculum for religious education.
- Supply teachers to cover for those teachers who are absent from school accompanying pupils on a residential trip.
- Transport provided in connection with an educational trip. However, Governors have agreed that Voluntary Contributions may be requested.
- No charge can be made for entering pupils for public examinations that are on the National Curriculum.

Activities for which charges may be made :

- Activities outside school hours – Non-residential activities (other than those listed in 1 above), which take place outside school hours, but only if the majority of the time spent on that activity takes place outside school hours (time spent on travel counts in this calculation if the travel itself occurs during school hours).
- Residential activities – Board and lodging costs (but only those costs) of residential trips deemed to take place during school time. However, pupils whose parents are in receipt of certain benefits (see point 3 below) may

not be charged for board and lodging costs. Residential trips deemed to take place outside school time (other than for those activities listed in 1 above). When any trip is arranged parents will be notified of the policy for allocating places.

Music tuition – for individuals or groups of any appropriate size 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

Examinations:

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

Breakages and Replacements

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

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.

Families qualifying for remission or help with charges

In order to remove financial barriers from disadvantaged pupils, the governing body has agreed that some activities and visits where charges can legally be made will be offered at a reduced charge to parents in particular circumstances.

This remissions policy sets out the circumstances in which charges will be reduced. Criteria for qualification for remission are given below :

Parents in receipt of :

- Income support.
- Income based jobseekers allowance.
- Support under part VI of the immigration and asylum act 1999.
- Child Tax Credit, providing that working tax credit is not also received and the family's income (as assessed by HM Revenue and Customs) does not exceed the sum given in the Revenue and Customs rules.
- Guaranteed state pension.

Additional categories of parents may claim help with some costs in some circumstances, which will be decided by the governing body taking into account as to whether additional help is justified.

Additional considerations

The governing body recognises its responsibility to ensure that the offer of activities and educational visits does not place an unnecessary burden on family finances. To this end will try to adhere to the following guidelines :

- Where possible we shall publish a list of visits (and their approximate cost) at the beginning of the school year so that parents can plan ahead.
- We have established a system for parents to pay in instalments.
- When an opportunity for a trip arises at short notice it will be possible to arrange to pay by instalments beyond the date of the trip.
- We acknowledge that offering opportunities on a "first pay, first served" basis discriminates against pupils from families on lower incomes and we will avoid that method of selection.

REGISTER OF BUSINESS INTERESTS

The Governing Body of Heathfield School has agreed that all governors and designated staff 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 a situation where the person concerned, their family (immediate family and other relatives) or close friends have a connection with a potential supplier, or where there is any other business connection i.e. common directorships /partnerships.

Nil returns are required.

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

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, Custom and Excise 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	Teacher/ LSA/ technician	Finance Officer / Assistant	Business Manager / Fin Manager	Caretaker
A. ORDERING						
Complete requisition form	X	x	x		x	x
Authorise requisition form (budget holders)	x	x	x		x	x
Process order on SIMS (FMS)				x	x	
Authorise order on SIMS (FMS)				X	x	
Sign paper copy of order				X	x	
Check delivery note to goods received			X	X	X	x
Check delivery note to order				X	X	
B. INVOICE PAYMENTS						
Check invoice to delivery note/order (where applicable)				X	x	
Sign invoice to authorise payment	x (counter sign)	X		X	X	
Process invoice on SIMS (FMS)				X	X	
Authorise invoice on SIMS (FMS)				X	X	
Authorise BACS run		x		X	X	
Release BACS payments		x		X	X	
Check payments to Bank statements				X	X	
C. PROCUREMENT CARD						
Card holders and recording transactions				X	X	
Checking of transaction log				X	X	
Approval of payment of invoice				X	X	
Process payment of invoice on FMS				X	X	

	Head	Deputy Head	Teacher/ LSA/ technician	Finance Officer / Assistant	Business Manager / Fin Manager	Caretaker
D. PETTY CASH						
Sign cheques (2 signatures)	x	X	X (named)		X (Business Manager only)	
Issue cash which should be signed for				X	X	
Reimburse staff with cash or BACS				X	X	
Sign receipts to authorise	x	X	X			x
Record expenditure in manual records				X	X	
Record expenditure on SIMS (FMS) and produce reimbursement claim				X	X	
Sign reimbursement claim (including checking against the supporting receipts)	x	X	X (named)		X (Business Manager only)	
Balance petty cash				X	X	
E. INCOME						
Raise invoices/request's income and keep records of all income due				X	X	
Collect income, count and record manually			X	X	X	
Issue receipts (where practicable)				X	X	
Record on SIMS FMS				X	X	
Complete paying-in book				X	X	
Bank income				X	X	
Spot check income received against records of income due	x	X	X		X	
Check income collected to amount banked and amount on FMS	X	X	X	X	X	x
F. BUDGET MANAGEMENT						
Undertake reconciliation process				X	X	
Detailed checks of staff payments					X	
Allocate income if required (budget virement)				X	X	
Complete Form 10 or Local Payments Forms				X	X	
Sign and Check Form 10 or Local Payments Forms	x	x				
Complete Form 11 if applicable				X	X	
Sign County Accounting System Tabs/Balancing figure	x	X			X	
Production of financial reports				X	X	
Review monthly reports	x	X	X	X	X	x
Complete any budget movements required						
- Authorise - virement	x	x				
- Action - virement				X	x	

	Head	Deputy Head	Teacher / LSA / technician	Finance Officer / Assistant	Business Manager / Fin Manager	Caretaker
G. PERSONNEL/PAYROLL						
Complete payroll forms for contract changes, supply, etc.					X	
Authorise payroll forms – Chair of Governors to authorise Headteacher’s	x	X			X	
Update SIMS (Personnel) for contract changes					X	
Check staff variances on SIMS (FMS)				x	X	
Check staff payments on County Council Accounting System tabs				X	X	
Monitor staff budgets	x	X	X	X	X	x

LETTINGS POLICY

Charges for School Activities

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 SLP 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). Where possible, fees are payable in advance. If this is not possible an invoice will be raised promptly.

Hire charges, where set, will be reviewed annually by the Headteacher and Governors. The charges will cover any costs incurred, i.e. 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 chair of finance committee.

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
HIRERS' LIABILITY INSURANCE**



The County Council requires that any individual or organisation hiring Somerset County Council schools and other premises on a casual basis has insurance for their own legal liability to third parties arising from their use of the premises.

Subject to the Exclusions below the County Council is able to offer Hirers' Liability insurance to any Hirer that cannot provide evidence of other insurance.

This insurance indemnifies the Hirer against their legal liability to pay damages or compensation arising out of or from:

- a) personal injury to any person (other than personal injury to an employee of the Hirer arising out of or in the course of employment by the Hirer);
- b) damage to the premises (including contents therein) hired from the County Council;
- c) damage to any other property not belonging to or in the custody of the Hirer or any person in the Hirer's service;

occurring during the period of the hire and arising out of the activities of the Hirer for which the premises were hired.

This insurance is subject to a limit of indemnity of £5,000,000 and the Hirer will be required to pay the first £100 of each claim.

It is a requirement of the insurance that the Hirer must take all reasonable precautions to prevent accident, loss, damage or injury.

The premium for the insurance is added to the hiring charge. The insurance 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 normally make their own insurance arrangements. If insurance is required in the absence of a hiring charge the County Council will calculate a premium equivalent to that payable on a chargeable letting for a similar period of hire.

The County Council does not offer insurance for other risks associated with hire of premises, such as loss of money or tickets or cancellation of events due to adverse weather.

This document is a summary of cover. Full details of the insurance are available from the Insurance Department, Finance and Performance, County Hall, Taunton, TA1 4DY. Email: insurance@somerset.gov.uk

Exclusions

These insurance arrangements are not available to commercial organisations such as exhibition promoters or professional entertainment companies, as we expect those types of hirer to have their own insurance.

The insurance will not apply to the extent that the Hirer is indemnified under any other policy of insurance.

The insurance excludes any claim for personal injury or damage arising out of the use of the premises for:

- a) meetings organised by political parties;
- b) professional entertainment purposes;
- c) commercial or business functions which involve bringing into the premises equipment which operates by means of the application of heat;
- d) martial arts activities;
- e) any sporting activity but only in respect of personal injury or damage suffered by one participant that was caused by another participant.

Claims

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

Preliminary information should be telephoned to the Insurance Department on 01823 359862, 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;
- (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. 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.

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, i.e. 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 will be 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 on 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 mobile phone 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 any cost to have them cleaned.

7. Payment

- 7.1 In the case of a one-off hire payment will be in advance by the date of hire unless otherwise agreed with the Headteacher in writing.
- 7.2 If the hire is for a regular let the establishment will invoice the Hirer 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 The Hirer may cancel any booking without charge as long as 24 hours notice is given to the school.

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.

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 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 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 times 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: _____