Farmilo Primary School & Nursery
NCC Finance Policy

Template prepared by:
Children & Families Finance
Chief Executive's Department
Nottinghamshire County Council

October 2024

FARMILO PRIMARY SCHOOL & NURSERY FINANCE POLICY

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Date approved by the Full Governing Body:

Signed on behalf of the Governors:

Date of next review: Oct 2025

1 INTRODUCTION

The Governing Body recognises the need for good financial control over the schools' resources and has formulated this policy in order to achieve the standards of financial management as outlined in Ofsted guidelines, the DfE Schools Financial Value Standard and to ensure compliance with the Nottinghamshire LA Scheme for Financing Schools.

The key standards to be achieved are:

- The financial responsibilities of the Governing Body, its committees, the Headteacher and staff should be clearly defined and limits of delegated authority established.

- The budget should reflect the schools prioritised educational objectives as set out in the School Improvement / Development Plan, seek to achieve value for money and be subject to regular, effective monitoring.

- The school should establish sound internal financial controls to ensure the reliability and accuracy of its financial transactions.

- In accordance with section 2.6 of the Nottinghamshire LA Scheme for Financing Schools, the school should ensure that a professional internal audit of its financial arrangements takes place at a frequency determined by the Executive Director – Children & Families and the Service Director - Finance, Infrastructure & Improvement.

- The school should ensure that purchasing arrangements achieve the principles of best value.

- All income due to the school should be identified and collected. All collections should be receipted, recorded and banked promptly.

- The school should properly control the operation of bank accounts and regularly reconcile bank balances with the accounting records.

- There should be efficient procedures in place for the administration of personnel matters, including payroll.

- The school should control the use of petty cash.

- The school should ensure that it complies with VAT and other applicable tax regulations.

- There should be a record of stocks, stores and other assets and these should be adequately safeguarded against loss or theft.

- The school should be adequately insured against exposure to risks.

- The Governing Body and Headteacher should be satisfied that they are meeting the requirements of the Data Protection Act 2018 (including the General Data Protection Regulation) and any subsequent regulations and amendments.

- School voluntary funds should be administered as rigorously as public funds.

2 ORGANISATION OF RESPONSIBILITY & ACCOUNTABILITY

2.1 Governing Body

The following are only illustrative examples – you should amend these to reflect the roles and responsibilities allocated as per the latest School Governors' Scheme of Delegation.

Membership as at *30/09/2024*:

Chair: DAVID STOCKER

Members: DAVID STOCKER
LEANNE RODGERS
DONNA O'CONNOR
SUZANNE TRYNER
VANESSA BLORE
LOUISE HART
LORRAINE DENNIS
RACHELLE LAWSON
REBECCA DAYSH

Quoracy: *5*

(The quorum for full governing body meetings is 50% (rounded up to the nearest whole number) of the governors in post).

Role:

The Governing Body has a strategic role in determining the educational and financial priorities of the school, ensuring that the financial resources delegated to it are used effectively and that adequate internal controls are maintained over these.

Responsibilities:

- To fulfil the statutory responsibility for the administration of financial management within the school.
- To formulate the written description of financial systems and procedures and ensure that these comply with the Nottinghamshire LA Scheme for Financing Schools.
- To undertake an annual review of the Finance Policy.
- To set out in writing the roles and responsibilities of the Governing Body, its committees, the Headteacher and Office Manager, in relation to financial decision making in a Finance Policy.
- To undertake an annual review of the agreed roles and responsibilities by completing the School Governors' Decision Planner.
- To set up a Finance Committee to consider strategic financial issues on behalf of the Governing Body, and to review the committee's remit and membership on an annual basis.

- To establish the financial limits of delegated authority to enter into commitments, to authorise invoices and the subsequent payment of these (e.g. cheques, BACS).

- To approve the financial procedures within the school and ensure that they comply with the Nottinghamshire LA Scheme for Financing Schools.

- To establish a register of business interests of governors, the Headteacher and any other staff who have the ability to influence financial decisions, to ensure that it is open to inspection and to oversee its maintenance through an annual review and/or update.

- To ensure that the priorities, aims and objectives are outlined in the School Improvement / Development plan and are costed and clearly linked to the multi-year Budget Plan.

- To approve the three-year Budget Plan and ensure that it is submitted to the LA by the required deadline.

- To approve the annual CFR governors' outturn statement and (where relevant) ensure that the Committed Balances Return is submitted to the LA by the required deadline.

- To determine the level of detail, minimum frequency and general format of financial information to be provided to the Governing Body, especially in relation to budget monitoring reports.

- To report suspected financial irregularities to the Executive Director – Children & Families without delay, and as necessary convene disciplinary panels to consider the findings of investigations.

- To respond promptly to any recommendations made in audit reports and monitor the progress of any remedial action identified.

- To approve the writing off of irrecoverable debts and the disposal of surplus and damaged equipment.

- To ensure that the school is able to demonstrate compliance with the DfE Schools Financial Value Standard (SFVS).

2.2 Finance Committee

Membership as at *30/09/2024*:-

Chair: DAVID STOCKER

Members: LOUISE HART LORRAINE DENNIS
RACHELLE LAWSON SUZANNE TRYNER
VANESSA BLORE

Quoracy: 3

(The minimum quorum for a committee is 3 governors but the full governing body may set this at a higher level if it wishes).

The following roles and responsibilities are only illustrative examples – you should amend these to reflect the responsibilities allocated as per the latest School Governors' Decision Planner.

Role:

The Governing Body of Farmilo Primary School & Nursery has delegated the responsibilities as agreed in the School Governors' Decision Planner as outlined below to its Finance Committee.

All delegated decisions will comply with the Nottinghamshire LA Scheme for Financing Schools.

Responsibilities:

- To oversee the preparation of the school's multi-year budget plan in accordance with the priorities within the school improvement plan (including the staff complement), for determination by the full Governing Body.

- Review the completed mid-year reforecast return (to be submitted to Children & Families (C&F) Finance by 30th November) and note impact of any changes to the projected carry-forward.

- To monitor expenditure and income by receiving regular reports from the Headteacher comparing expenditure to the original budget set, and report back to the full Governing Body.

- To approve virements at the level specified in the school's agreed financial procedures and in accordance with the levels of delegation agreed by the full Governing Body.

- To operate the Governing Body's arrangements for obtaining quotations and inviting tenders in accordance with the Nottinghamshire LA Scheme for Financing Schools.

- To approve leasing arrangements after consultation with C&F Finance.

- To ensure the maintenance of the inventories and security of assets and to approve in writing the method of disposal and the deletion of items from the inventory.

- To ensure that the income from the sale of any assets is managed in line with requirements of the Nottinghamshire LA Scheme for Financing Schools.

- To formulate and recommend to the Governing Body a lettings policy (where required).

- To formulate and recommend to the Governing Body a charging and remissions policy for activities.

- To determine arrangements regarding petty cash.

- To determine the arrangements for the school fund accounts, DFC account and any other accounts linked to the school, for the annual audit of these and approval of the annual audit certificate.

- To determine insurance arrangements.

- To determine matters relating to building maintenance, health and safety and lettings outside school hours in accordance with the Governors' delegated responsibilities.

- To report appropriate financial information to parents in a format approved by the Governing Body.

2.3 The Headteacher

***SUZANNE TRYNER* as at 30/09/2024.**

Role:

To ensure that sound systems of internal control are in place and are implemented. To ensure that the financial administration of the school operates within the Nottinghamshire LA Scheme for Financing Schools. In the absence of the Headteacher, responsibilities outlined below will be delegated to Vanessa Blore (Deputy Head) and Rebecca Daysh (assistant Head).

Responsibilities:

- To prepare the annual budget plan for the Governing Body's approval.
- Ensure that the School Improvement Plan priorities are properly costed and clearly linked to the school's budget plan.
- To undertake budget monitoring exercises on a monthly basis.
- To monitor the cash flow.
- To provide reports to the Governing Body on a termly basis on the financial position of the school. These should be in a format approved by the Governing Body (but should include reports from the school's finance system) and report any variations in expenditure against the approved budget plan.
- To oversee the day-to-day management of the school's financial administration, ensure that sound systems of internal control exist over these and ensure that they comply with the Nottinghamshire LA Scheme for Financing Schools.
- To report suspected bank and/or cheque fraud to the Finance Business Partner – C&F Finance.
- To consider and respond promptly to recommendations made in audit reports and advise the Governing Body of any remedial action to be implemented.
- To authorise orders, invoices and payments up to the limits agreed by the Governing Body as outlined in section 5 of this policy.
- Organisation of personnel in respect of financial administration, also ensuring that there are satisfactory contingency arrangements, particularly in the absence of key staff.
- To submit returns to the Local Authority in line with published deadlines.
- To ensure that where budgets are delegated to a cost centre or departmental level that they operate within a similar control regime in respect of budget monitoring and reporting.

2.4 <u>The Finance Staff:</u>

Structure as at30/09/2024*:-*

OFFICE MANAGER– L JONES
OFFICE SUPPORT – D WOOLLEY
OFFICE ADMINISTRATIVE – N TOMSETT

Role:

To implement the finance policy and procedures agreed by the Governing Body and Headteacher and to process financial transactions and activities in line with these. To maintain the school accounting system and to monitor the budget on a day-to-day basis.

Responsibilities:

- To undertake responsibility for the day-to-day administration of the schools' financial administration including:
    - Ordering goods
    - Authorising orders (up to limits of delegated authority)
    - Receiving goods
    - Processing invoices
    - Authorising invoices (up to limits of delegated authority)
    - Processing cheques/BACS to suppliers
    - Signing cheques/Authorising BACS (up to limits of delegated authority)
    - Payroll notifications and claims
    - Staffing returns
    - Monthly reconciliation of expenditure (pay and non-pay)
    - Banking of income
    - Maintenance of the petty cash account
    - Maintenance of the School Fund, DFC and other accounts linked to the school (including receipts and payments)

- To provide monthly monitoring information to the Governing Body, Headteacher and Cost Centre budget holders.

- To submit returns required by the Local Authority by the prescribed deadlines as outlined in the Nottinghamshire LA Scheme for Financing Schools including (but not limited to) the multi-year budget plan, re-forecast return, Committed Balance Return, monthly VAT reports, monthly REC1s, quarterly bank statements and un-reconciled transaction listings.

- To monitor the cash flow position of the school and report to the Headteacher on a regular basis.

- To assist the Headteacher in the preparation of the multi-year budget plan.

- To maintain the school accounts, reports and records in accordance with the Nottinghamshire LA Scheme for Financing Schools.

- To maintain the school fund accounts in accordance with the Internal Audit Service publication 'Managing School Funds', and to prepare the annual school fund audit certificate.

2.5 <u>Cost Centre Budget Holders</u>

No staff have cost centre allocations

3 FINANCIAL PLANNING & BUDGET MONITORING

3.1 The school has a written statement of its aims and objectives, and this forms the basis for constructing budget plans.

3.2 The school has both medium term educational (School Improvement) and budget plans which outline the areas of priority with regards to spending, showing how the use of resources is linked to the achievement of the school's goals.

3.3 The Headteacher will forward details of the draft three-year budget to the Governing Body for timely consideration and approval before submitting the approved budget to the LA by 31st May each year.

3.4 The Headteacher will alert the Governing Body of any subsequent changes to the budget.

3.5 The Governing Body will monitor the budget to ensure that planned expenditure does not exceed the available budget allocation during budget reviews.

3.6 The Governing Body should report to the LA on the intended use of any balances as prescribed the Nottinghamshire LA Scheme for Financing Schools by 31st May each year.

3.7 The Governing Body should ensure that the main elements of the school's budget are subject to a periodic review to ensure that the school works within the principles of Best Value and that historic spending patterns are not repeated without challenge.

3.8 The Headteacher/Office Manager will provide a report on income and expenditure, including items committed but not yet paid, at each budget review meeting. This report should include details on any significant variances against the approved budget plan and where necessary any remedial action plans and monitor the expenditure on the initiatives set out in the School Improvement Plan.

3.9 The Headteacher is authorised by the Governing Body to appoint a budget manager for any department as appropriate within the school and may delegate the responsibility to spend within a department's annual budget allocation to the department's appointed budget manager.

3.10 The Headteacher/Office Manager will provide department budget managers access to regular reports on spending and these will be reviewed with the Headteacher/ Office Manager periodically or as deemed appropriate.

3.11 The Headteacher/Office Manager will ensure that the Governing Body is made aware of all virements made.

3.12 The Headteacher and the Governing Body will assess the progress made against the stated objectives in the School Improvement Plan**.**

3.13 The Headteacher will periodically consult the Governing Body and relevant staff to ensure that the financial and management information issued is relevant, timely and understandable.

3.14 The Headteacher will report any proposal for policy changes which significantly affect the expenditure or income budgets at the next Finance Committee meeting.

4 INTERNAL FINANCIAL CONTROLS

4.1 The Governing Body will ensure that there are written descriptions of all the school financial systems and procedures. These should be kept up to date and all relevant staff trained in their use.

4.2 The Headteacher will ensure that appropriate cover is available in the absence of key personnel to ensure that financial control is maintained.

4.3 The Headteacher will ensure that as far as possible the duties of staff relating to financial administration are distributed so that at least two people are involved. The work of one person should act as a check on the work of the other. All checks should be fully documented.

4.4 The Headteacher will ensure that proper accounting records are maintained and held securely. Financial documents will be retained in accordance with the retention schedules within the Nottinghamshire LA Scheme for Financing Schools.

4.5 An audit trail of all financial transactions will be maintained from original documentation to the accounting records, and vice versa.

4.6 Alterations to documents will be made clearly in permanent ink, initialled and dated. The use of correction fluids or erasure of information is not permitted.

4.7 Accounting records will be properly and securely maintained and access to these will only be permitted to authorised staff. The Headteacher will determine which school employees are authorised to access the records.

4.8 The Headteacher will ensure that expenditure from ring fenced sources of funding are used for their intended purposes and are identifiable within the school accounts and supporting records.

4.9 The Governing Body should ensure that a professional internal audit takes place on the financial arrangements of the school at least every 3 years (secondary schools) or 5 years (primary & special schools). Schools will be notified by C&F Finance by February each year if they are scheduled for an audit in the next financial year.

4.10 Where a provider other than NCC Internal Audit Services is chosen, the details of the organisation selected must be notified to C&F Finance. A copy of the final audit report and the school's responses to the recommendations made must also be forwarded to C&F Finance.

4.11 The internal audit provider selected must be CCAB qualified, have all relevant insurances and professional indemnities and carry out their work in compliance with the Public Sector Internal Audit Standards.

5 PURCHASING

5.1 Before any orders are placed, the person responsible for placing the order will ensure that the school is achieving value for money. Consideration will be given to price, quality and fitness for purpose.

5.2 The financial limits of delegated authority as approved by the Governing Body for entering into commitments and ordering goods and services are as detailed below:-

Headteacher	*£5,000*
Deputy Headteacher & Assistant Headteacher	*£1,000*
Key Stage Leaders	*£1,000*

5.3 Expenditure above the Headteacher's delegated authority, but below £25,000 must be approved by the Finance Committee and recorded in the minutes of the meeting.

5.4 All orders must be signed by an authorised member of staff per the list in section 5.2 subject to their authorised delegated level other than where the expenditure has been approved by Governors and their approval formally recorded in the minutes. The signatory should be satisfied that the goods or services ordered are appropriate and necessary, that there is adequate budgetary provision and that quotation / tendering procedures have been followed.

5.5 All intended purchases with an estimated value of £25,000 or more must be awarded by one of the following methods:-

- open competitive tendering by an advertisement on an e-procurement portal;
- selective tendering from at least three recognised sources known to be suppliers of the goods and/or and services in question;
- such other arrangements made with the prior written approval of the Chief Executive and the Service Director, Finance, Infrastructure & Improvement.

5.6 All intended purchases or contracts for supplies and services with an estimated value above PCR 2015 threshold must be advertised on Find a Tender Service (FTS). Advice should be obtained from NCC Corporate Procurement in order that the relevant Public Contract Regulations are complied with.

5.7 All contracts, orders and purchases with an estimated value of £25,000 or more will be subject to a decision of the full Governing Body and recorded in the minutes of the meeting. Once the contract has been awarded (if over £25,000) the details must be published on Contracts Finder.

5.8 Purchases or contracts with an estimated value of between £5,000 and £25,000 can be awarded by one of the methods described above or by inviting at least 3 alternative written offers or quotations. In circumstances where obtaining 3 quotations is impractical the reasons for not following these procedures must be reported to the Governing Body and recorded in the minutes of the meeting.

5.9 For purchases of less than £5,000, the Governing Body will make the most suitable arrangements for the ordering of works, goods and services or disposal of equipment and goods but will obtain alternative offers or quotations wherever possible.

5.10 The Governing Body will be informed of all instances where a quotation has been accepted that is not the lowest or most financially advantageous option available. This will be recorded in the minutes of the meeting.

5.11 The purchasing of works, goods or services can be entered into without the tendering or quotation procedures described above if the order or contract is placed with a department of the County Council.

5.12 Purchase orders should be raised for all works, goods and services (with the exception of utilities, rents, rates, petty cash payments, credit/debit card payments, Direct Debits and Biller Direct payments). Purchase orders should be raised before contacting the supplier to place an order to ensure financial commitments are recorded in the school's accounting system. Where urgency requires a telephone order, this should be subject to the procedures outlined above and an order raised at the earliest opportunity as confirmation to commit the expenditure.

5.13 When an order is placed, the value should be committed against the appropriate budget heading on the school's financial system so that it is included in budget monitoring reports.

5.14 If a purchase order has not been raised at the time an order is placed staff should not raise an order after the invoice has been received in school. These invoices should be entered on the school's financial system as a non-order invoice.

5.15 Purchase orders will only be used for goods and services provided to the school. Individuals are not permitted to use purchase orders to obtain goods or services for their private use.

5.16 The Office Manager will ensure that goods and services are checked on receipt to ensure that they match the order. Wherever possible, the person responsible for checking the goods or services should not be the same person who ordered the goods or processed the invoice. The checking procedure should be recorded on the order or delivery note and passed to the person responsible for processing invoices.

5.17 The Office Manager will ensure that payments are only made to a supplier after the goods or services have been received and checked and confirmed as being satisfactory, and on receipt of a proper invoice which has been received, checked and certified for payment.

5.18 The limits of delegated authority as approved by the Governing Body for authorising invoices for payment are as detailed below. There is no limit set for the Headteacher as control over the level of authorisation has already been applied in the ordering process as identified in section 5.2 and 5.3.

Enter your financial limits of delegated authority here.

Headteacher	*No Limit*
Deputy/Assistant Headteacher	*Unlimited*
Key Stage Leaders	*£5,000*

5.19 Wherever possible, the authorisation of an invoice should not be performed by a person if they have also authorised the order and checked the receipt of goods or services.

5.20 All cheques/BACS payments raised require two signatures and these must be employees of the school. All cheques/BACS payments in excess of £5,000 must be signed by the Headteacher. There is no limit set for the Headteacher as control over the level of authorisation has already been applied in the ordering process as identified

in section 5.2 and 5.3. The financial limits of delegated authority as approved by the Governing Body for signing cheques/authorising BACS payments are detailed below:-

Enter your delegated financial limits of authority here.

Headteacher	No limit
Assistant Headteacher	No Limit

Ensure that the signatories detailed above agree with those detailed on your current bank mandate.

5.21 For details on the use of purchase cards and BACS please see section 7 – Banking Arrangements.

6 INCOME

6.1 The Governing Body will determine a charges and remissions policy detailing the instances where charges will be made, voluntary contributions requested, or where goods or activities are available free of charge.

6.2 We have no lettings policy.

6.3 The Headteacher is responsible for ensuring that, wherever possible, the responsibility for identifying sums due to the school is separated from the responsibility for collecting and banking such sums.

6.4 Invoices will be issued promptly by the Office Manager following the delivery of the service. This period of time will not exceed 30 days. Wherever possible, income should be collected in advance of the letting or service taking place.

6.5 Receipts will be issued for all income collected from external sources by the . These will be traceable to the record of the banking.

6.6 All receipts and other records of income will be securely retained.

6.7 All cash and cheques will be held securely to safeguard against loss or theft. The amount of money held at any one time will not exceed the amount covered by the school's insurance policy or safe manufacturer limit (whichever is lower).

6.8 All monies will be paid into the relevant bank account promptly and in full. Where a school closure period exceeds 24 hours, all significant income should be banked prior to this.

6.9 The Governing Body does not permit the encashment of personal cheques from income collections or the use of income collections to make payments.

6.10 The Office Manager is responsible for ensuring that monthly reconciliation takes place between the income collected and the sums deposited at the bank. This reconciliation should be fully documented and available for inspection when required.

6.11 Debts will be written off in accordance with the Nottinghamshire LA Scheme for Financing Schools. The Governing Body will be informed of any such debts prior to them being written off. A record of any sums written off will be maintained.

6.12 The Headteacher will ensure that any transfers of money between staff are recorded and signed for.

6.13 Wherever possible, monies from vending and other machines should be emptied and the cash counted by two people.

7 BANKING ARRANGEMENTS

7.1 The Headteacher will ensure on behalf of the Governing Body that the operation of the school bank account (including the use of direct debits and debit / credit cards) is in accordance with section 3 – 'Instalments of budget share; banking arrangements' and Annex D – 'Local Bank Account Scheme Regulations' of the Nottinghamshire LA Scheme for Financing Schools.

7.2 The Headteacher will ensure that appropriate steps are taken to reduce the risk of bank / cheque fraud occurring or minimise the potential loss if this has already occurred in line with the guidance produced by the C&F Finance team on the Schools Portal. (Schools Portal > Finance > Bank Account Scheme)

7.3 The Office Manager will ensure that bank statements are obtained on at least a monthly basis and reconciled against the school financial system and relevant accounting records.

7.4 The Headteacher or nominated person not involved in completion of the monthly bank reconciliation will certify the reconciliation and countersign the relevant reports as evidence that the checks have taken place.

7.5 Where possible, the person responsible for undertaking the bank reconciliation will not be responsible for the processing of receipts or payments.

7.6 Supporting vouchers will be made available to cheque signatories/BACS authorisers to safeguard against inappropriate expenditure.

7.7 Only manuscript signatures are to be used (i.e. not stamps or facsimile) and cheques should not be pre-signed.

7.8 Cheques will be held securely when not in use.

7.9 The Headteacher will maintain a list of all bank and building society accounts held by the school and a list (bank mandate) of authorised signatories for each of these.

7.10 The Office Manager will ensure that the school's cash flow is regularly monitored to ensure that the account does not become overdrawn.

7.11 The set up of direct debits should be authorised by 2 named people on the bank mandate. Authorisation should be retained by the school. Standing orders are not allowed on school bank accounts.

7.12 Store loyalty cards should only be used if in the school name. Personal store loyalty cards must not be used when making purchases on behalf of the school

<u>Debit / Credit Card Usage</u>

7.13 The school has a credit / debit card which has been set up and is used in accordance with Section 3 of the Local Bank Account Scheme Regulations (Annex D of the Nottinghamshire LA Scheme for Financing Schools). The use of the card has been approved by the Governing Body and formally recorded in the minutes of the relevant meeting.

7.14 The authorised users of the card(s) and their financial limits of delegated authority are outlined below:-

HeadTeacher	*£5,000 up to card maximum*
Office Manager	*£1,000 (this limit allows for cross over of monthly settlement, actual usage to reflect no more than £500 per month)*

7.15 The issue and control of the card(s) is managed independently by the Assistant Head Teacher, who is not a card holder and hereafter referred to as the Statement Verifier. Cardholder(s) have been issued with associated notes of guidance, have signed to acknowledge receipt of the card and acceptance of the conditions of use and signed the card.

7.16 All debit / credit cards are held securely when not in use either by the cardholder or within the school in a secure location where there is limited access.

7.17 Any misuse of the card(s) outside of the conditions of use will result in the immediate withdrawal of the card(s) from the cardholder(s). The Headteacher will take appropriate action in line with the County Council's financial regulations.

7.18 The loss of any card(s) will immediately be reported to the bank and Statement Verifier.

7.19 If the card(s) are no longer required or the cardholder(s) leave the school they shall be returned to the Statement Verifier to be destroyed and should be cancelled with the bank.

7.20 Card(s) will not be used for the withdrawal of cash through any ATM or cash back facilities.

7.21 School debit / credit cards must not be used for personal purchases. Any personal purchases will be treated as misuse of the card and will result in withdrawal of the card.

7.22 The use of school debit / credit cards for ordering goods and services shall operate in conjunction with the principles of best value.

7.23 The debit / credit card(s) should not be used until confirmation has been made with the relevant budget holder that there is budget available under the budget heading to cover the cost of the proposed expenditure. Confirmation should also be sought that there are sufficient balances in the bank account prior to the use of cards.

7.24 A record of expenditure incurred together with supporting vouchers or receipts should be maintained by the cardholder(s), including a valid VAT receipt where relevant. These should be submitted to the Budget Manager for the purpose of checking payments made.

7.25 Any credit card balances should be cleared in full by the due date.

BACS Payments

7.26 FMS and the school bank account are set up to allow payments to suppliers to be made by BACS. This has been set up in accordance with Section 4 of the Local Bank Account Scheme Regulations (Annex D of the Nottinghamshire LA Scheme for Financing Schools).

7.27 The roles of inputting a BACS payment to the banking software and authorising the payment must be carried out by two separate individuals, each acting within the limits of their own delegated authority. The roles of inputter and authoriser will be assigned as:

Headteacher	***authoriser***
Assistant Headteacher	***authoriser***
Office Manager	***Inputter***

7.28 The Office Manager will be responsible for maintaining a record of suppliers' bank account details in FMS. When notification of changed bank details is received from a supplier the Office Manager will confirm the change of details with the supplier, using a telephone number from a previous invoice.

7.29 The Office Manager will run a monthly report from FMS/the local accounting system showing all changes made to supplier bank accounts during the last month. This will be independently checked by the HT/|DHT/AHT each month to confirm all changes to supplier bank details have been properly authorised.

8 PERSONNEL AND PAYROLL

8.1 The Governing Body has established procedures for the administration of personnel activities, including appointments, terminations and promotions. This policy is found online on the T;shared drive, latest policies and in the policy folder in the HTs bookcase.

8.2 The Headteacher will ensure that the duties of authorising appointments, making changes to contracts or terminating the employment of staff are separated from the duties of processing payroll notifications and claims wherever possible. Evidence of authorisation should be retained.

8.3 The Headteacher will ensure that all processes in relation to completing, checking and authorising any documents and claims related to appointments, terminations of employment and expenses are carried out by more than one person.

8.4 Details of staff able to authorise any documents and claims should be forwarded to the school's payroll provider.

8.5 The Headteacher will ensure that personnel records are kept securely, and only authorised employees have access to them. This includes physical paperwork and forms held electronically.

8.6 All payments to individuals should be made through the payroll system except where a self-employment assessment has been completed and the Headteacher is satisfied from reading the guidance that the contract is one of self-employment.

8.7 The Headteacher will ensure that regular payroll checks are carried out on payroll transactions against the school's documentation to ensure they match.

9 PETTY CASH

9.1 A petty cash account will be held. This will be held securely and only staff authorised by the Headteacher will have access to it.

9.2 Payments from the petty cash account will be limited to minor items of expenditure. These will be supported by receipted invoices or vouchers, identifying any VAT paid, which must be separately accounted for.

9.3 Records will be kept of all reimbursements paid into and expenditure paid out of the petty cash account.

9.4 Personal cheques must not be cashed from the petty cash account.

9.5 The petty cash balance will be reconciled to the record of income and expenditure on a regular basis (not less frequently than monthly).

9.6 Reconciliations on the account will be subject to review by an independent person.

10 VAT AND TAXATION

The Headteacher will ensure that all staff involved in the financial administration procedures within the school are aware of the current VAT and income tax regulations in accordance with section 7 of the Nottinghamshire LA Scheme for Financing Schools.

11 SECURITY OF ASSETS, STOCK AND OTHER PROPERTY

11.1 The Headteacher is responsible for ensuring that assets, stock, cash and other property belonging to the school is kept in safe custody.

11.2 The Headteacher will ensure that an inventory is maintained of all portable and desirable items. This will include details of serial numbers, make and model where applicable. All such items will be security marked as being the property of the school.

11.3 An annual check of the inventories against items physically held will be undertaken by an independent person and documented. All discrepancies identified on this check will be investigated and reported to the Governing Body.

11.4 Where school property is loaned to staff or pupils and taken off site it will be recorded in a loan of equipment register. This will include the date of the loan, return and signature of the person borrowing the equipment. Any such loans should be authorised by Headteacher**.**

11.5 If any assets, stock or other property are surplus, obsolete, damaged, not traceable or stolen, the governing body will authorise the write-off and sale or disposal in accordance with section 2.1.4 of the Nottinghamshire LA Scheme for Financing Schools.

11.6 Safes and secure cupboards/cabinets will be kept locked, the keys removed and held in a secure location as determined by the Headteacher.

12 INSURANCE

12.1 The Governing Body will ensure that adequate insurance is taken out to cover risks to which the school is exposed. The school currently places its insurance arrangements with the DfE under the RPA (Risk Protection Arrangement). An annual review of all risks will be conducted to ensure that an appropriate level of cover is maintained.

12.2 The Governing Body will review all risks not covered by the RPA on an annual basis and determine whether additional cover should be taken out.

Data Protection

13.1 The Governing Body will ensure that the school is registered in accordance with the Data Protection Act 2018 (DPA 2018 – including the General Data Protection Regulation). The use of any systems to record or process information will comply with this legislation.

13.2 The Headteacher is responsible for ensuring that data is regularly backed up, that any back-up files are held securely and that the school can restore any lost data from the back-up files.

13.3 The Headteacher will ensure that the computer systems used for school management are password protected and that only authorised staff have access to the systems. Passwords should not be disclosed, should be changed regularly and updated for staff changes.

13.4 The Headteacher will ensure that adequate protection is in place to safeguard school systems and data against computer viruses. Only authorised software will be used.

13 SCHOOL AND OTHER PRIVATE FUNDS

14.1 The Headteacher will ensure that voluntary funds are accounted for separately from the school's delegated budget and are held in a separate bank account.

14.2 The Headteacher, on behalf of the Governing Body, will ensure that the accounting procedures for any voluntary funds reflect the same standard as those required for accounting for the school's delegated budget.

14.3 Any voluntary accounts will be subject to an annual audit by C&F Finance or a suitable qualified or experienced independent auditor. The audit report will be presented to the Governing Body for their formal approval and recorded in the minutes of the meeting. A copy of the annual school fund audit certificate, signed by the Headteacher and the Auditor, should be forwarded onto C&F Finance.