



Finance Policy

Policy Creation & Review

Author(s)	Headteacher & GB Finance Committee
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The Governors of Ellen Wilkinson Primary School are committed to ensuring that sound financial controls are in place and adhered to, in order to achieve value for money and to be worthy custodians of public money. To achieve these aims the Head Teacher and the Governing Body have drawn up this Finance Policy to provide the guiding principles within which all Governors and staff will operate.

This Policy has been drawn up in accordance with the London Borough of Newham's (LA) Scheme for Financing Schools, which should be used in conjunction with this policy and referred to for further guidance and clarification.

This Policy will be reviewed annually, presented to and agreed by the Governing Body.

2. Principles

2.1 The responsibilities of the Governing Body, its committees, the Head Teacher and staff will be clearly defined and limits of delegated authority established, where applicable. Pecuniary interests are declared and a register of these maintained.

The **Governing Body** is responsible for taking steps to ensure that expenditure reflects best value principles. This is done by;

- Using both performance data and financial benchmarking to *compare* to similar schools locally and nationally.
- Using the information gained to *challenge* performance and set new targets
- Using fair *competition* through quotations and tenders, ensuring resources and contracts for services are secured in the most economic, efficient and effective way

2.2 The school will establish sound internal financial controls, based on the LA's Financial Controls, to ensure the reliability and accuracy of its financial transactions.

2.3 The budget will reflect the school's prioritised educational objectives through its links to the School Development / Improvement Plan, which indicates the resource implications of each priority.

2.4 The budget will be subject to effective monitoring, allowing the Governors, Head Teacher and staff to maintain financial control by reviewing the current position and taking any remedial action necessary.

2.5 The school will be adequately insured against exposure to risk.

2.6 The school will ensure that:

- The Budget Share is spent for the purpose of the school only
- Purchasing arrangements achieve value for money

2.7 There are sound procedures for the administration of personnel matters.

2.8 There are sound procedures for the administration of payroll matters.

2.9 Stocks, stores and assets are recorded and adequately safeguarded against loss or theft

2.10 All income received and due is identified and all collections receipted, recorded and banked promptly.

2.11 The operation of the bank account and the reconciliation of bank balances with the accounting records are properly controlled.

2.12 The use of petty cash is strictly controlled.

2.13 The use of a Procurement Card is strictly controlled.

2.14 The School Voluntary Fund and any other non-public funds are administered as rigorously as public funds and subject to independent review / external audit as appropriate.

2.15 Any suspected financial/ record keeping irregularity will be reported immediately to the Head Teacher and Governing Body, who will inform the council's Director of Finance.

2.16 The school will adhere to current GDPR and Data Protection legislation.

2.17 Appropriate training in financial administration will be given to enable staff cover at all times.

3. Putting Policy into Practice

3.1 Delegated Authority

The Finance Policy and Scheme of Delegation ensures that no one individual has the authority to perform an entire process where school delegated funds are involved. All staff are made aware of the delegated powers that they have been given.

The **Full Governing Body** has overall responsibility for the management of all of the school's finances covering the revenue budget, other budgets delegated or devolved by the LA and other funds (e.g. the School Voluntary Fund).

The **Finance Committee** is delegated responsibility by the Full Governing Body for the following aspects of financial management;

- Evaluate and recommend the annual budget plan, which shows clear links to the School Development/Improvement Plan, for approval by the Full Governing Body.
- To monitor the actual income and expenditure and forecasts against the agreed budget and report to the Full Governing Body, highlighting any significant variances
- Evaluate any proposed virements (where applicable).
- To review the finance and other related policies and agree levels of delegation for approval by the Full Governing Body.
- To review a Pay Policy for approval by the Full Governing Body.
- To make decisions in respect of service agreements and insurance.
- Evaluate and report on Tenders for Contract Services to the Full Governing Body.
- Benchmark the school's financial performance and report to the Full Governing Body.
- To advise the Full Governing Body of any consultations to change the LA Scheme for Financing Schools, to allow the school to respond to any consultation.

The **Headteacher** is responsible for implementing the decisions of the Governing Body and for the operational management of the school:

- Advising the Governing Body on the school budget
- Ensuring the Governing Body is provided with relevant and timely information for them to discharge their duties
- Alerting or informing the Finance Committee and/or Governing Body of any matters considered relevant.
- Ensuring all financial matters are undertaken in compliance with financial regulations and guidance.
- Managing the day to day budget in line with the expectations of the Finance Committee.
- Ensuring all financial returns are completed and submitted within the required time scales.

The Head Teacher delegates the day-to-day activities of financial management to the Finance & Admissions Officer and commissions an external company to regularly monitor the school's financial performance and comply with the annual budget with the Headteacher.

The Head Teacher ensures that an effective segregation of duties is maintained in all financial processes.

3.1.1 Pecuniary and Non-Pecuniary Interests

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

An interest (both business and personal) is anything that might influence a governor/headteacher to take into account some factor other than the interests of the schools and can be divided into pecuniary and non-pecuniary.

Pecuniary interests are those where an item under discussion may have a financial benefit to the individual governor/head teacher or their spouse, partner or close family member.

Non-pecuniary interests can be defined as any factor that would cause an intelligent observer to think that the judgment of a governor/headteacher is biased.

A register of pecuniary and non-pecuniary interests is maintained by the school, and staff and governors are required to disclose any interest as soon as they are aware of the link and complete the declaration.

Irrespective of whether they have an interest, all members of the Governing Body, senior members of staff and other staff involved in the financial management of the school should complete a declaration annually.

Declaration of pecuniary interests are an agenda item on each Committee / Body meeting to afford officers and governors the opportunity to declare such interests.

3.2 Internal Financial Controls

The internal financial controls operated by the school follow the financial controls set out in the LA's Scheme for Financing Schools.

Staff are properly trained in the schools financial systems and procedures, and a review of training needs is conducted annually.

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

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

- At least two people are involved in the ordering of goods and that one provides a check for the other.
- The duty of calculating, checking and recording of money is separated from the duty of collecting and paying out money.
- Any annotations to original documents are made in permanent form. The use of correcting fluid and the erasure of information is not permitted. Any notes or amendments are properly and clearly initialled and dated.
- A complete audit trail should be maintained. All financial transactions are traceable from the original documentation to accounting records both at school and local authority level and vice versa with all checks being carried out on documents being recorded.
- Financial records are kept properly and securely in accordance with the requirements of the LA regulations.

The LA conducts the programme of Internal Audit. Audit reports are reviewed by the Governing Body, which ensures that recommendations are implemented.

The *Governing Body* also ensures the Schools Financial Value Standard (SFVS) is reviewed each year and the chair of governors will sign the completed form prior to sending a copy to the Local Authority. The agreed action plan will be monitored and reviewed.

3.3 Information Management

Access to financial and operational systems is carefully controlled, and updated for changes to personnel. Data is held in compliance with the DfE guidance on safeguarding children.

Passwords are changed regularly and only known to the password holder.

The school has an Emergency Plan in place that ensures data is held securely for the requisite number of years. It is recognised that all data needs to be backed up and held off-site. The company which manages the stored data complies with the Data Protection Act 2018 has clear guidelines on how data should be stored and transmitted and adheres to the current European Economic Area (EEA) guidelines.

3.4 Financial Links to the School Improvement Plan

The annual (and 3 year budget) is linked to the 3 year School Development / Improvement Plan. The Head Teacher and Governing Body review the budget implications of the Plan prior to setting the budget for the following financial year.

3.5 Monitoring and Virements

The school recognises that the regular monitoring of income and expenditure against the agreed budget is central to effective financial management. To this end, the Head Teacher carries out monthly monitoring of the budget and cashflow, copied to the Chair of the Finance Committee. A monitoring report is taken to all meetings of the Finance Committee which reports, if required, to the Full Governing Body.

Monitoring reports are submitted to the LA in accordance with its timetable. Governors ensure their meetings are timed to see all monitoring submitted to the LA either prior to submission or soon after. This ensures they have an up-to-date position of the school's finances.

On occasions, virements (transfers between budgets) may need to be carried out. Virements to the approved budget are minuted appropriately and require the following authorisation:

Limits

Authority

Up to £5,000

The Head Teacher, reported to the Finance Committee

From £5,000 to £15,000

The Finance Committee

Over £15,000

The Full Governing Body

Virements between capital and revenue, or from ring-fenced grants are not allowed.

3.6 Insurance

The school is insured through **the LA**, with relevant cover as identified by the schedule received from the LA's Insurance section.

The Head Teacher is responsible for:

- Notifying the insurers/LA of any new risks (new property, equipment).
- Maintaining an asset register which is checked by officers and presented to GB annually.
- Ensuring that contracts with third parties include adequate indemnity clauses.
- Ensuring that an indemnity is not given to any third party without the written consent of the insurers.
- Informing the council's insurance team immediately of all relevant matters (losses or other incidents).
- Ensuring that cover includes school property (such as musical instruments and computers) when off the premises.
- Maintaining a check to ensure that claims are processed within the required period.
- Ensuring that the police are informed of all claims where this is a requirement of the insurance.

3.7 Purchasing

The school follows the purchasing guidelines as documented in the LA's Financial Regulations, Contract Standing Orders and Scheme for Financing Schools.

Budgets are discussed and delegated to Curriculum Leaders and class teachers. The budget is reviewed, amended as appropriate and approved by the Head Teacher, in line with the priority needs of the school and the School Development Plan. See procurement policy for further details.

3.7.1 Purchase Orders

Purchase orders are raised for all goods, services and works, prior to or at the point of placing an order, except in the case of utility bills and in emergencies. This ensures that the estimated cost is committed against the appropriate budget allocation so that it features in subsequent budget monitoring.

The order is completed and signed by the budget holder before being passed to the Finance Office. The Headteacher (or designated deputies) authorises the order, checking that the order is for educational purposes, there are sufficient funds to pay for the purchase and that appropriate quotations have been obtained. Once authorised, a copy of the order must be retained for matching at a later date with the delivery note and invoice.

3.7.2 Receipting of goods

A member of staff other than the signatory of the order checks goods and services on receipt against the order to ensure that the order has been satisfactorily fulfilled. The carrier/supplier is notified promptly of any shortages or rejected items.

The delivery note, if present, is clearly signed by the receiving member of staff. Where a delivery note is not present, the invoice is clearly annotated and signed to evidence satisfactory delivery.

In respect of building and other services, the invoice is clearly annotated to confirm that works or services have been checked, and they have been undertaken as directed.

If the goods purchased are not consumables, but of an inventory nature, they are recorded on the inventory on receipt and security marked.

3.7.3 Payments

Before payment is made, checks are undertaken to confirm:

- Satisfactory receipt of goods or services, cross-referenced to the order number;
- Expenditure has been properly incurred for the educational purpose of the school;
- Prices accord with quotations, tenders, contracts or catalogue prices and arithmetic is correct;
- The invoice has the correct VAT on, and VAT is accounted for correctly in the accounts
- The invoice is correctly coded in accordance with the requirements of Consistent Financial Reporting;
- Discounts are taken where available;
- The invoice has not previously been passed for payment;
- The invoice is signed to confirm authorisation for payment: and
- Appropriate entries have been made in inventories and stock records

In summary:

Task	Authority
<i>Purchase order raised</i>	<i>Budget Holder</i>
<i>Purchase order approved</i>	<i>Head Teacher or designated deputy</i>
<i>Goods / services ordered</i>	<i>Finance Officer</i>
<i>Goods received</i>	<i>Budget Holder</i>
<i>Invoice checked</i>	<i>Finance Officer</i>
<i>BACS / cheque authorised</i>	<i>Head Teacher plus one other on the mandate</i>

The following thresholds are adhered to, in accordance with the LA's thresholds:

Limits	Authority
Up to £4,999	1 quote (recorded in writing), Head Teacher or designated deputy approval
From £5,000 to £24,999	2 quotes (recorded in writing), Head Teacher or designated deputy approval
From £25,000 to £99,999	3 written quotes, Head Teacher plus one other approval
£100,000 to £181,302	Min tender, Governing Body approval
Above £181,302 & EU rules apply	Full EU advertised competitive tender process, Governing Body approval
Above £181,302 & EU rules do not apply	Full advertised 2 stage competitive tender process, Governing Body approval

All of the above will be minuted at the appropriate committee / Governing Body meeting to ensure that the School is seen to be obtaining value for money at all times.

The school will only enter into an Operating Lease with the prior approval of the LA, and takes professional advice when needed.

The school does not enter into any Hire Purchase agreements, Finance agreements or Finance Leases as this constitutes borrowing which is not permitted.

3.8 Personnel Matters

The school follows the LA pay policy based on the principles of recruitment and pay as set by LBN which also follows national guidelines on pay structures. All recruitment and pay is in line with this policy

Each year the Headteacher arranges for the calculation of the salary costs of all members of staff, including increments where applicable. These details are used by the Finance Committee for incorporation into the school budget planning process.

The Finance Committee undertakes an annual review of the Head Teacher's salary, and recommends to the Full Governing Body for approval.

The Headteacher undertakes an annual review of all other staff, in accordance with the Governors' Pay Policy and reports to the Full Governing Body.

Details of salaries are recorded as a confidential item.

3.9 Payroll Matters

The school has a contract with Education Space (formerly NPW) which provides payroll services which meets all relevant legislation and has been approved by the LA.

The Headteacher, or designated deputy, signs off the monthly payroll reports once they have been checked for accuracy.

The payroll provider provide monthly reports which are checked for accuracy by the *Schools Office Manager*, including:

- All staff are confirmed as employees of the school.
- Claims for expenses and overtime are supported by authorised claim forms signed by the individual making the claim and the Headteacher (or Chair of Governors in the case of Head Teacher claims). Expenses are claimed within 3 months of the expenditure.
- Any increments or pay awards are supported by the appropriate authorised paperwork
- The direct debit amount matches the payroll run every month
- The payroll run is compared to the salary budget, and any variations are investigated and confirmed for accuracy
- The budget monitoring and cash flow monitoring are updated for variations above 5%

Recruitment in school is controlled by the Headteacher who has the authority to recruit at all levels. However, all recruitment needs are discussed and agreed at the Finance Committee and especially at the time of Budget Setting.

The Headteacher is responsible for ensuring that the statutory obligations around the safe recruitment process are administered and the Office Manager is responsible for maintaining accurate records of all staff employed by the school in a single central record.

The employment status of all contracted workers is checked in accordance with employed / self-employed (IR35) requirements.

3.10 Safeguard of Stores and Assets

All staff are responsible for the security of school assets.

Items of value are held in a locked cupboard/cabinet, wherever possible, and all items are visibly security marked to deter theft.

The school maintains an Inventory Register, (to include description of item, date of purchase, value, end user license, location, serial number etc) which is reviewed and physically checked annually by (Post Title), who is independent from the officer who maintains it. The check is certified by the Head Teacher, and the findings reported to the Finance Committee, highlighting the condition of the assets and any missing items.

Where assets are written off and disposed of (in line with the LA's Financial Regulations), the Finance Committee agrees this on behalf of the Full Governing Body and the agreement is minuted. Items no longer needed may be sold with agreement from the Full Governing Body. Where school assets are loaned to staff or pupils, a loan form is completed and signed when borrowing the item and again when the item is returned.

3.11 Income

All income received is recorded on the financial information system. Cash will be receipted, recorded and banked promptly. The Local Authority approved courier service is used although cash payments are minimised where possible (BDI Security Ltd)

The school uses Parentpay for payments received for school trips, school meals etc. to minimise the amount of cash handling on site.

The agreed level of cash to be held in the school safe at any one time is £500.

3.11.1 Lettings

The school lets parts of the premises to outside users. Each such let is subject to the Hirer agreeing to abide by the school's Terms & Conditions of Use.

Groups that use the premises have to pay an agreed rate that is negotiated annually. Payments for these regular lettings are received by direct bank transfer each term.

Community Lettings are conducted via subsidies received from the London Borough of Newham. A nominal charge is made to the user with the majority of the cost being covered by LBN. If the subsidy is stopped the rates charged will be revised to recover costs.

For further details please see lettings policy and schedule of charges which is reviewed annually and approved by the Governing Body.

3.11.1 Bad Debts

The school may choose to write off a debt where all reasonable avenues to recover the debt have been exhausted, where it is not cost effective to pursue the debt through legal action, or there are extenuating circumstances.

Where debts are required to be written off, after every effort has been made by the Head Teacher and Governors to recoup the monies, the following thresholds apply:

Limits	Authority
Up to £100	Head Teacher
Between £100 and £500	The Finance Committee
Between £500 and £1,000	The Full Governing Body
Above £1,000	The Full Governing Body with approval from the LA

A report is taken to governors on an annual basis.

3.12 The School Bank Account

The school operates its school bank account(s) in accordance with the regulations in the LA's Scheme for Financing Schools. The school holds the following bank accounts:

- Lloyds bank (school)
- Lloyds Bank (Little Ellies)
- Natwest account (school fund)

Bank account signatories are updated immediately when there is a change in staffing.

The school pays invoices via online banking / BACS and/or cheque ensuring it adheres to all financial controls within the LA's Scheme for Financing Schools and Financial Regulations and all cheques / BACS runs are signed by two signatories.

3.12.1 BACS payments

To minimise the risk of errors or fraud, the following processes are in place for BACS payments:

Supplier details:

- Resources Assistant is responsible for checking and maintaining the list of supplier bank details. They are not involved in the payment process or preparing the BACS upload files
- Suppliers provide their bank details in writing on the business's headed paper
- Once this is received, the school phones the business to confirm the bank details
- The letter from the business is signed and dated by the school to confirm the bank details have been checked

- If the business tells the school that their bank details (or any other details i.e. address) have changed, the school always ask for this in writing and follow up with a phone call (identical to new supplier checks)
- The supplier bank details file is stored securely, with restricted access, separately from Smart cards and PINs
- The entered bank details on FMS are checked to the supplier details file by a member of staff who is not involved in the payment process and the entry of supplier details
- The person performing the check certifies each entry in the supplier details file, as evidence that this check has been completed

Access to Smart Cards & PINs

- Smart cards and PINs are issued to approved authorisers and are only used by the person they are issued to
- PINs are never be shared
- Smart cards and PINs are not stored together

Checking and authorising the upload

- The BACS run report is run and printed
- An authoriser (not involved in the payment process) checks individual transactions to the invoices and other supporting documentation to confirm that payments have been authorised, are for the correct amount and will be made to the correct supplier
- The authoriser performing the checks signs the report to confirm that checks have been completed
- The audit trail report is run and printed from the day before the last BACS run to the current date.
- An authoriser (not involved in the payment process) reviews the report, which will show any changes that have been made to the supplier accounts
- A member of the SLT signs and dates the file (already checked and signed by the first authoriser) to confirm that they are satisfied that sufficient checks have been completed.
- The authoriser and the second authoriser then authorises the batch online
- The signed reports are filed with the paid invoices

3.11.3 Direct Debits

The school may set up direct debits against the school bank account (e.g. for payroll) with agreement from the Governing Body and permission from the LA.

A copy of the signed direct debit mandate or email authorisation is retained, so as to evidence that two authorised signatories were party to the agreement.

A valid VAT invoice, where applicable, is always obtained to support the direct debit payment, and any VAT relating to direct debits is claimed as necessary.

Direct Debits are reconciled each month, and reviewed annually.

3.11.4 Bank Reconciliations

Bank statements are received/printed out on at least a monthly basis and reconciled in accordance with LA guidelines. The Head Teacher signs and dates the bank statement and reconciliation as soon as possible after the reconciliation has been checked. Copies of the reconciliation are sent to the LA monthly.

3.12 Petty Cash

Petty Cash is held securely (i.e. locked in a safe) at all times and the limit for petty cash is £100. Petty cash transactions are kept to a minimum and the maximum value of any one transaction is £25. All staff complete and sign a claim form with the relevant receipt attached, authorised by the Head Teacher or designated deputy prior to payment. Staff should sign and date the claim form on receipt of the reimbursement. However in the vast majority of cases reimbursement is made via BACS rather than in cash. Mileage and travel expenses are paid via Payroll.

The school no longer uses Petty cash.

3.13 Purchasing Cards

The school has a purchasing card under the LA banking arrangements, which is used by the named individual on the card in accordance with procedures issued by the LA. All transactions are logged and receipts / invoices reviewed and

authorised. The card balance is fully paid each month and the card statement reconciled on a monthly basis. The reconciliation is completed by someone other than the card holder, and approved and signed by the Headteacher (unless the card is in the Headteacher's name, in which case it is signed by the Chair of Governors.)

Personal credit / debit cards will not be used for the purchase of items for the school. Please see purchase card policy for more details.

3.14 The Voluntary Fund

The school operates a voluntary fund which should have its own bank account, kept separate from the main school bank accounts.

Delegated funds, held in the main school bank account, should not be transferred to the voluntary fund account.

All controls described in this Finance Policy also apply to the Voluntary Fund.

An independent and appropriately qualified person, approved by the Governing Body, audits the fund accounts annually, and a report is taken to the Finance Committee in the summer term.

The school fund also operates a purchase card which follows the same procedures as the one for the main school budget. Please see purchase card policy for details.

Any suspected irregularities are reported to the Governing Body immediately.

3.15 Irregularities

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

All staff are aware of the LA's Whistleblowing arrangements and to whom they should report concerns. A copy of the policy is available on the main school website, hard copies are also available from the main reception.

The school has a hospitality and gifts register for staff and governors to record all hospitality and gifts received over the value of £15

3.16 GDPR/Data Protection

Ellen Wilkinson Primary School (as Data Controller) adheres to the GDPR and the Data Protection Act 2018 including paying a data protection fee to the Information Commissioner's Office (ICO).

We commission a Judicium Consulting Limited for our DPO services.

Data Protection Officer: Judicium Consulting Ltd,

Address: 72 Cannon Street, London, EC4N 6AE

Email: dataservices@judicium.com

Web: www.judiciumeducation.co.uk

Lead contact: Craig Stilwell

3.17 Financial Administration

Four members of staff are trained in the use of the finance software and financial administration procedures, in event of staff absence. The school purchases external bursarial support which is reviewed on an annual basis.

Appendix 1 – Finance Timetable

	September	October	November	December
AUTUMN TERM	Review terms of reference Review pecuniary interests Submit termly (cash to budget) reconciliation Submit cash reconciliation to LA Review GDPR & related policies	School census Submit quarterly spend reports to LA Submit cash reconciliation to LA Review pay policy Review staff pay (appraisal outcome)	School workforce census Review school improvement/development plan Autumn term monitoring report Submit cash reconciliation to LA	Submit cash reconciliation to LA HT Appraisal
	January	February	March	
SPRING TERM	School census Benchmarking Submit cash reconciliation to LA Review finance and related policies including Best Value statement Review SFVS Agree budget principles Review staffing structure	Spring term monitoring report Draft budget to governing body Submit cash reconciliation to LA Prepare draft budget for next financial year	Submit SFVS End of financial year Budget planning Final budget approved by resources committee Submit cash reconciliation to LA Pupil Premium report Curriculum budget bids	
	April	May	June	July
SUMMER TERM	Final budget to governing body Approved ratified budget to LA Three year budget completed, ready to submit to LA Submit termly (cash to budget) reconciliation to LA Submit cash reconciliation to LA Review Health & Safety & related policies	School census Submit budget plan to LA Review Charges and Charging policy Submit cash reconciliation to LA	Submit CFR Submit cash reconciliation to LA Sports premium report	Inventory check Submit quarterly spend to LA Submit cash reconciliation to LA

Appendix 2 – Scheme of Delegation

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

The scheme of delegation covers the following areas:

- Cheque Signatories and Payments
- Petty Cash
- Ordering and Receiving of Goods and Services
- Invoices
- Lease Agreements
- Budget Virements and Adjustments
- Write off of Bad Debts
- Disposal of Assets
- Staff Expenses

The scheme of delegation is also incorporated in the Ellen Wilkinson Procurement Policy and Procedures

Cheque Signatories and Payments

The persons authorised to sign cheques relating to all the school bank accounts including Voluntary & Private Fund Accounts are as follows:

Headteacher, Deputy Headteacher, Assistant Headteachers & School Office Manager

- All cheques are signed by two of the above.
- As a matter of course, the Headteacher tends to be the main signatory on all cheques and always signs cheques above £10,000
- The school now uses electronic payments by BACS and exercises the cheque control processes within this method of payment.
- If the goods/service has been ordered by any of the signatories, they will not sign the cheque.
- Direct debits are only used with agreement of the local authority
- Standing orders are not recommended and are not to be used.

Ordering of Goods and Services

The table below shows the staff able to order goods and services. Overspending on budgets is not allowed.

- Head Teacher
- Members of the Senior Leadership Team
- Office Manager
- Finance & Facilities Officer
- Resources Assistant
- Subject Leaders
- Network Manager
- Senior Learning Mentor

Individuals can order goods and services only for their own departmental budget / cost centres. The Headteacher can order goods and services from any budget / cost centre.

Receipt of Goods and Services

All goods delivered to the school are checked on receipt. The Resources Assistant generally receives the goods and signs the delivery note as not checked on delivery.

It is the responsibility of those who ordered the goods to confirm this check and report any discrepancies to the Main Office immediately.

In terms of Services of Supply and Temporary staff, a timesheet is signed by the person in charge of cover to confirm the hours.

Cover arrangements

Where there is a period of prolonged absence of staff involved in the processes detailed then the Headteacher and/or the Chair can agree a revised delegated authority which will remain in force for the fixed period of absence.

For example: If the Headteacher is absent for an extended period, the Chair of Governors will pass on some or all of the Headteacher's Delegated powers to the Deputy Head in order to ensure the school continues to operate effectively.



Appendix 3 – Asset and Inventory Policy

Purpose of an Inventory

An inventory must be maintained to ensure that the school has a detailed record of all the equipment it has custody of.

The reason for maintaining such a register is to correctly record all items of value held. Also, in the case of fire or theft, there would be a record showing exactly what has been “lost” together with its cost, identifying serial numbers etc. This would assist in either an insurance claim and/or a Police investigation.

Responsibility for keeping inventories

The Governing Body maintains the responsibility for this Inventory Control Process. Day to day management is delegated to the Deputy Head Teacher. The responsible officer is to ensure the policy and procedures are followed and will report to the Governing Body or its Finance Committee on a regular basis as detailed within this policy. The Governing Body must approve any further delegation of the duties covered in this policy.

Responsibilities within the school are shown under each part of the control process detailed in the following sections.

When a responsible officer leaves the school, the responsibilities will automatically transfer to the new post holder. Where there is a gap in recruitment, the headteacher will nominate a temporary responsible officer. If the person is not being replaced, the headteacher will ensure that the responsibilities are transferred to another member of staff without delay.

Process – Purchase of Inventory

All purchases of inventory must follow the process as documented in the School’s Finance Policy and be consistent with purchasing guidelines in the Financial Guidance to Schools.

Additional approvals if required must be sought in writing before purchase of such items.

Where the purchase of upgraded equipment or replacement items make existing assets redundant or obsolete, the disposal of the old assets follows the guidelines set out in the Disposal of Assets policy.

The Headteacher holds the responsibility of ensuring the correct process is followed.

The Resources Assistant will ensure that all schedules are kept up to date.

Items to be recorded

Generally, items of equipment, tools and furniture with a value over £250 are recorded on the Inventory Register. However, the register contains items below this value that are considered “desirable” and may be open for theft or damage.

Furniture included in the register must have an individual value in excess of £250.

Detailed recording of tables, desks and chairs are not kept, however a separate record is maintained for the average number of tables, desks, chairs that are in each room for the purposes of insurance.

The responsibility of determining which items should be recorded on the Inventory Register lies with the Deputy Headteacher.

Details to be recorded

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

The following information may be recorded, however, not all assets require every piece of information:

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

Inventory

Checks

At least annually, and usually in the Summer Term, a physical check on inventory is conducted.

All items recorded in the register are checked for location and condition.

The check is also used to identify any items that may have been missed off the original register.

Where the condition of assets has deteriorated, this is noted for repair, disposal and/or replacement.

Where assets are no longer used and are considered to be obsolete, this is reported to the Headteacher and decisions are made for disposal.

Security

Assets

All valuable equipment (attractive to thieves or easy to remove) is security marked with the name of the school and postcode, wherever possible in a highly visible manner to deter theft. However, care is taken not to reduce any resale value of the assets. Sticky labels are not sufficient as these can be removed.

All easily removable items, e.g. laptops and audio-visual equipment, are locked away securely when not in use.

The Network Manager maintains a log of all equipment loaned out to staff, especially if the equipment is to be taken off site. Staff using the loan facility agree to ensure the security and safe usage of the equipment whilst in their possession.

Any equipment loaned out for personal use is not covered by the school's insurance policy and as such will not be loaned unless adequate insurance cover is provided.

Any leased equipment is not marked without first referring to the leasing contract/company.

All staff are responsible for ensuring equipment used by them is correctly and securely stored when not in use.

Disposal

Policy

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

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

Reasons For Disposal	Method of Disposal
Obsolete – No longer used	Destroyed

Damaged Beyond Repair	Donation
Upgraded Equipment Purchased	Offered for Sale
Faulty & Uneconomical to repair	Confidential Disposal
Theft	
Fire Damage	Scrap
Missing (Presumed Lost/Stolen)	

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

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

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

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

Items sold are to be supported by a Sales VAT Invoice.

When items are either sold or donated to staff members, the Finance Committee is consulted prior to the transaction.

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

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

The Deputy Headteacher controls the process of disposal and reports all disposals to the Finance Committee at least annually.

Inspection

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

Reporting

A report is made annually to the Governing Body, after the Summer inventory check. The report is structured to include the following:

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

The Headteacher reviews and signs the report before it is presented to the Governing Body.

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

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

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

Authority to Dispose / Write Off Inventory

Requester

Name	Position	Date	Signed

Asset Details

Equipment No	Description	Serial Number
Purchase Value	Location	

Reason For Disposal

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

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

Authority

Name	Position	Date	Signed

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

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

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

Declaration of Inventory Check

A declaration is attached to the inventory from the company commissioned to undertake the audit.

Management Declaration

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

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

A report has been presented to the Governing Body / Finance Personnel & Pay Committee for formal approval.

Name: _____ (Head Teacher)

Signed: _____

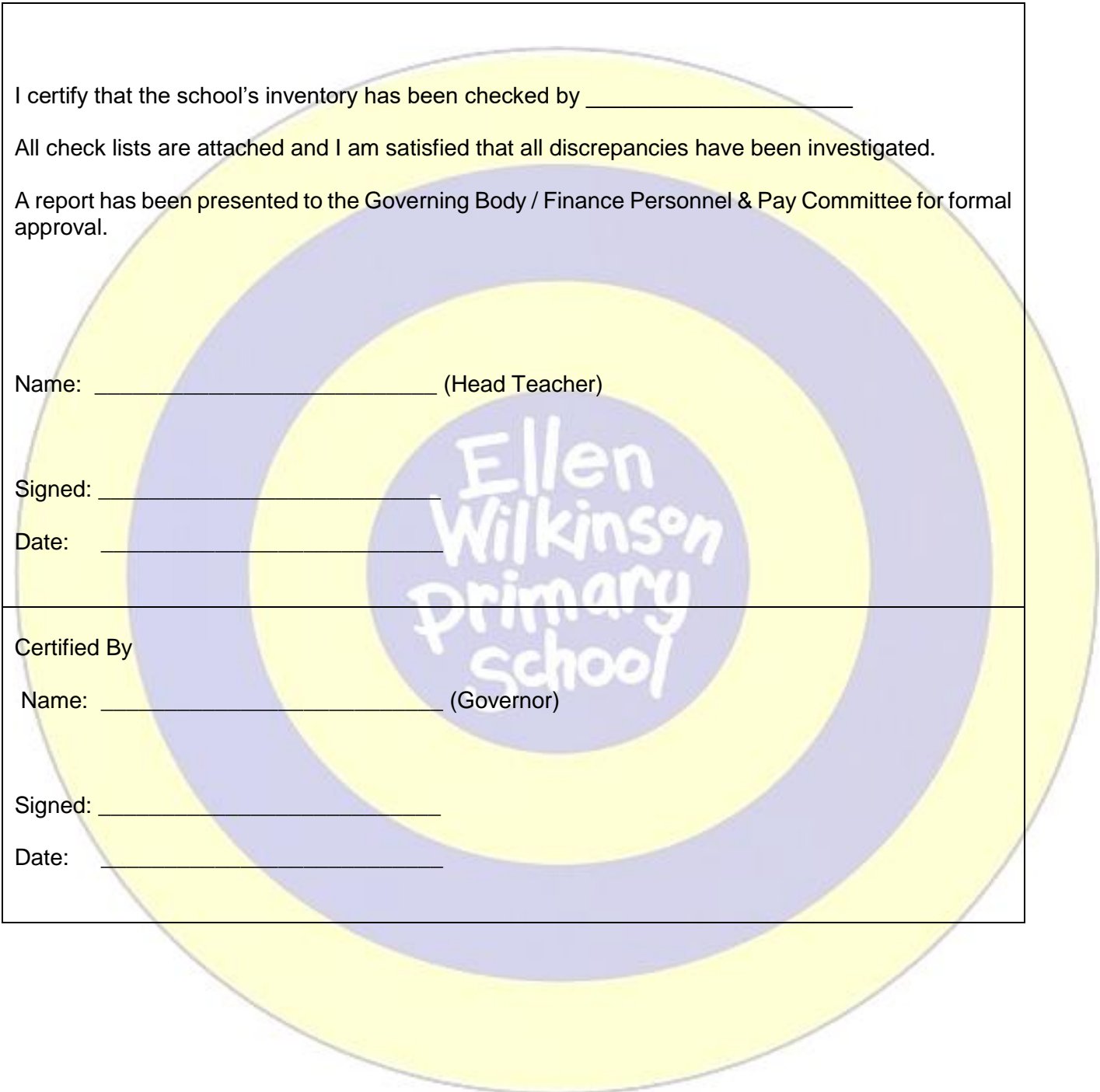
Date: _____

Certified By

Name: _____ (Governor)

Signed: _____

Date: _____



Ellen
Wilkinson
Primary
School