
MORECAMBE ROAD SCHOOL

FINANCE MANUAL



The School Finance Manual aims to determine school policy in line with Lancashire County Council (LCC) audit procedures, the Department of Education guidelines and recommended practice, the Scheme for Financing Schools in Lancashire and the Consistent Financial Reporting Framework.

Approved by the Full Governing Body on 4th December 2024

Signature: (Chair of Governors) __S Mainwaring_____

Signature: (Headteacher) __A Dootson_____

CONTENTS

Introduction

A Governance/School Policies

1. Statement of Roles and Responsibilities
2. Internal Financial Regulations
3. Finance, Staffing and Health and Safety Committee Terms of Reference
4. Anti-Fraud and Fraud Procedure Policy
Appendix 1 – The Principles of Public Life
5. School Charging and Remissions Policy
6. E Payments (Parent Pay and Sum Up)
7. School Income
8. Lettings Policy
Appendix 1 – School Letting Application
9. Debt Management Policy
10. Disposal and Control of Assets Policy
11. Whistle-Blowing Policy
12. School Charity Fund Governing Document
13. Charge Card Policy
14. Statement of Internal Control
15. Best Value and Benchmarking Policy
Appendix 1 – Best Value Statement
Appendix 2 – Benchmarking Report Template
16. School's Financial Value Statement
17. Approved Mileages for Staff Travel Claims
18. Mobile Phone Agreement

B Financial Procedures

1. Financial Management Systems
2. Income
3. Payroll
4. Purchasing Arrangements
5. Taxation
6. Unofficial School Funds
7. School Assets – Inventory
8. Best Value and Benchmarking
9. Local Bank Account Arrangements
10. Local LA (LA) Documents and Guidance

C Appendices:

- Appendix One - School Balances and Clawback
- Appendix Two - DFC Guidance
- Appendix Three – Acquisition of Items from Another School

INTRODUCTION

Background/Purpose

- Schools are required to have up-to-date, documented and approved detailed financial procedures which are tailored to the school's needs and implemented consistently in practice.
- The procedures are to be approved by the Governing Body and reviewed and updated on a regular basis.
- These financial procedures are to be made available to all relevant staff. Non-adherence by staff should be regarded as theft and / or fraud and could result in the consequences laid down in the school's disciplinary procedures and / or criminal proceedings.
- This manual fulfils this purpose by providing information relating to roles and responsibilities for financial management, school policies which have a financial content, key financial procedures and relevant guidance available from the LA.

Review/Approval Process

- This manual was approved by the Governing Body on 4th December 2024 and will be reviewed on an annual basis.

Section A

GOVERNANCE/SCHOOL POLICIES

		Date Approved	Renewal Date
1	Statement of Roles and Responsibilities	06/11/2024	Autumn 2025
2	Internal Financial Regulations	06/11/2024	Autumn 2025
3	Terms of Reference for the Finance Committee	06/11/2024	Autumn 2025
4	Anti-Fraud and Fraud Procedure	06/11/2024	Autumn 2025
5	School Charging and Remissions Policy	06/11/2024	Autumn 2025
6	E Payments (Parent Pay and Sum Up)	06/11/2024	Autumn 2025
7	School Income	06/11/2024	Autumn 2025
8	Lettings Policy	06/11/2024	Autumn 2025
9	Debt Management Policy	06/11/2024	Autumn 2025
10	Disposal and Control of Assets Policy	06/11/2024	Autumn 2025
11	Whistle blowing Policy	06/11/2024	Autumn 2025
12	School Charity Fund Governing Document	06/11/2024	Autumn 2025
13	Charge Card Policy	06/11/2024	Autumn 2025
14	Statement of Internal Control	06/11/2024	Autumn 2025
15	Best Value and Benchmarking Policy	06/11/2024	Autumn 2025
16	School's Financial Value Statement	06/11/2024	Autumn 2025
17	Approved Mileages for Staff Travel Claims	06/11/2024	Autumn 2025
18	Mobile Phone Agreement	06/11/2024	Autumn 2025

1. Statement of Roles and Responsibilities

STATEMENT OF ROLES AND RESPONSIBILITIES FOR FINANCIAL MANAGEMENT

1.1 INTRODUCTION

The Governing Body is a corporate body, and because of the terms of s.50(7) of the Education Act 2002, governors of maintained schools will not incur personal liability in the exercise of their powers to spend the delegated budget share provided they act in good faith.

The Governing Body, Headteacher and senior management team together constitute the leadership team of the school.

This statement identifies the roles and responsibilities of the Governing Body, Headteacher and School Business Manager for financial management.

Schools are required, in the management of their delegated budgets, to abide by the LA's requirement on financial controls and monitoring. (Scheme for Financing Schools in Lancashire).

1.2 GOVERNING BODY AND ITS COMMITTEES

The overall purpose of the Governing Body is to lead the school to provide the best possible education for the pupils. This involves, in particular:

- setting the school's vision and strategic aims
- monitoring and evaluating performance
- ensuring that the school is accountable to pupils, parents and the community it serves and to the LA.

Within this context the Governing Body has a strategic role in the financial management of the school. Its key responsibilities include:

- approving the financial priorities of the school through the:
 - School Development Plan
 - Annual Budget (which does not result in an accumulated deficit at the year end and does not exceed its total available resources)
- determining the allocation of resources within the school budget in accordance with the priorities in the School Development Plan
- approving and monitoring the annual budget
- ensuring that the budget is managed effectively and efficiently
- determining arrangements for delegation of financial decisions to the Headteacher by approving internal financial regulations
- evaluating the effectiveness and efficiency of spending decisions
- ensuring that use of resources and investments in teaching and learning take into account the LA's purchasing, tendering and contracting requirements.

1.3 RESPONSIBILITY FOR LEGAL COSTS

Legal costs incurred by the governing body, although the responsibility of the LA as part of the cost of maintaining the school, may be credited to the school's budget share unless the governing body acts in accordance with the advice of the LA. Morecambe Road School subscribes to a buy back agreement with the LA's legal services.

1.4 PUBLIC RESPONSIBILITY

The LA is obliged to publish a yearly statement detailing the budget share for each school and the formula used to calculate these budget shares and the detailed calculation for each school. After closure of each financial year, the LA publishes a statement showing out-turn expenditure for each school and the balances held in each school.

1.5 HEADTEACHER

The Headteacher provides vision, leadership and direction for the school and is responsible for the management of the school budget under delegation powers agreed by the governing body. These responsibilities include:

- creating a strategic plan (the School Development Plan) underpinned by sound financial planning. This identifies priorities and targets for ensuring that pupils achieve high standards and make progress, increasing teacher's effectiveness and securing school improvement
- preparing an annual budget plan which is within the resources available and reflects the school priorities for approval by the governing body
- effectively and efficiently, through value for money and optimising the use of resources, managing the school budget within the allocation of resources approved by the governing body (subject to virement limits)
- presenting regular financial monitoring reports to the governing body

1.6 SCHOOL BUSINESS MANAGER

The School Business Manager is responsible to the Headteacher for the day to day financial management of the school including the following:

- provide the LA with monthly Bank reconciliation information
- ensuring sound internal financial controls in relation to income and expenditure
- managing the safe custody and physical control of stores and equipment and the inventory of the school's moveable, non-capital assets. This management includes arrangements of an annual stock check of assets carried out by an individual other than those responsible for the asset custody and control
- update the school finance manual and relating policies on an annual basis

- ensuring that all financial accounting records for the school are accurate and up-to-date
- overseeing the ordering, receipt of goods and authorisation of payments in accordance with internal financial regulations
- monitoring the school budget on a regular basis including provision of monitoring information to budget holders and preparation of monitoring reports for the Governing Body.
- closure of old financial year accounts and opening the new year on the Finance 6 system
- providing financial advice and information to the Headteacher and governing body
- ensuring that all income is accounted for and banked
- determine and lead securing better value for money and production of the annual best value statement
- follow legal procedures for the payment of salaries and expenses
- manage unofficial accounts and submit annual reports to appropriate authorities
- provide the LA with details of the anticipated annual expenditure and income
- manage and co-ordinate annual compliance to the School's Financial Value Statement
- preparation of annual budget allocations iaw the School Development Plan for consideration by Headteacher and Governors
- provide 3-year budget plan for the Governors and Local Authority
- audit and regularly check financial responsibilities are met by school and staff

2. Internal Financial Regulations

MORECAMBE ROAD SCHOOL SCHEME OF DELEGATION INTERNAL FINANCIAL REGULATIONS

1.0 INTRODUCTION

- 1.1 The financial relationship between the LA and schools is set out in the Scheme for Financing Schools in Lancashire which is drawn up in accordance with the School Standards and Framework Act 1998. The Scheme contains requirements relating to financial management and associated issues which are binding on both the LA and school governing bodies.
- 1.2 The scheme provides a proper balance between control of public funds and the freedom of schools to control their budgets. All those involved in the financial management arrangements within schools have an interest in ensuring that sound financial management procedures are in operation, particularly Governors and Headteachers, in view of their responsibilities for managing a significant amount of public funds.
- 1.3 An authority may suspend a school's right to a delegated budget if the provisions of the authority's financial scheme (or rules applied by the scheme) have been substantially or persistently breached, or if the budget share has not been managed satisfactorily. A school's right to a delegated budget share may also be suspended for other reasons (schedule 17 to the Act)

2.0 TREATMENT OF SURPLUS AND DEFICIT BALANCES

- 2.1 Schools are allowed to carry forward from one financial year to the next any shortfall in expenditure relative to the school's budget share for the year plus or minus any balance brought forward from the previous year.
- 2.2 However, the LA operates a mechanism to clawback excess surplus balances, having regard to the principle that schools should be moving towards greater autonomy, should not be constrained from making early efficiencies to support their medium-term budgeting in a tighter financial climate and should not be burdened with bureaucracy.
- 2.3 The level of clawback is agreed annually by the LA and the Schools Forum. This is then advised to schools.
- 2.4 Schools are required to hold the appropriate level of guideline balances before assigning any balances for specific purposes.
- 2.5 For schools that hold balances greater than the LA's recommended guideline the LA shall be empowered to deduct from the current year's budget share a percentage of the excess surplus balances (clawback) as agreed following consultation with the Lancashire Schools Forum. The rate and any exceptions shall be reviewed annually and guidance issued to schools.

- 2.6 Any unplanned deficit on the final accounts, as reported in statements published under Section 251 of the Apprenticeships, Skills, Children and Learning Act 2009, will be deducted from the following year's budget share for the school.
- 2.7 With the exception of the provisions on licensed deficits the Governing Body shall not approve a budget which exceeds their total available resources.

Licensed Deficits - The Governing Body may apply to anticipate future years' budgets. Normally, anticipations should be for a specific objective and relate to the following year's budget only and be subject to a limit of 10% of the school's budget share. In certain exceptional circumstances, the Governing Body may apply for a budget anticipation with recovery over more than one year, subject to the following conditions:

- the maximum length over which the school may repay the deficit is not greater than three years;
- the Governing Body giving a formal indication of their willingness to implement an action plan designed to achieve repayment over the agreed timescale and to comply with any conditions specified in the agreed plan;
- termly I&E returns or a revised forecast of school's outturn position are submitted to Schools Finance team;
- copies of all management accounts submitted to the Governing Body/Finance Committee are submitted to Schools Finance Team, on request;
- all budget anticipations will be subject to the agreement of Authority and will attract an interest charge calculated on the same basis as that applying to general school balances.

The Authority may recommend a visit by Schools Financial Services and in such instances the Authority reserves the right to make a charge for this service.

The anticipations are funded by the collective net surplus of all school balances. The extent to which budget anticipations can be approved in any year will be dependent on there being adequate overall resources within school balances/reserves to provide the funds required. The maximum proportion of the collective net surplus of schools' balances which will be used to back budget anticipations will be 40%.

In circumstances where a school requires a budget share advance in order not to be to be overdrawn at their bank, this will be treated as a cash advance and not a loan. This will have no effect on the school's budget and outturn statements.

The purposes for which a budget anticipation arrangement may be agreed include:

- planned improvement work (e.g. improving the fabric of the school buildings; improving the efficiency of mains services; health and safety improvements);
- installing specialist services (e.g. cabling for ICT);
- managing staffing re-organization/curriculum protection.

3.0 ESTABLISHMENT OF BUDGET HEADINGS, MONITORING AND CONTROL PROCEDURES AND EXERCISE OF VIREMENT

- 3.1 Each year, on receipt of its funding allocations from the authority / ESFA the Governing Body shall establish appropriate budget headings for the school as a whole under which the budget shall be controlled and determine the initial budget allocation to each heading, the consistent financial reporting (CFR) framework is recommended. Any changes to budget allocations following notification by the Authority of the previous year's surplus / deficit brought forward shall be determined by the Governing Body.
- 3.2 The Headteacher may sub-divide the budget into Cost Centres determined by the Governors on a departmental or other basis in order to facilitate day to day administration and control.
- 3.3 The Headteacher shall be empowered to exercise virement between budget headings approved by the Governors of up to £15,000 in total for any heading during the year. Any virement exercised shall be reported to the Governors at their next meeting. Virement in excess of this figure requires the prior approval of the Governing Body. In exceptional circumstances, approval of virements can be made as Chairs Action and reported at the next meeting,
- 3.4 The Headteacher shall establish suitable arrangements for the control and monitoring of expenditure against budget headings.
- 3.5 In line with the SFVS, regular financial reports will be received by the Governing Body on school expenditure compared with budget. Reasons for any significant variances between actual and estimated expenditure to date shall be identified. In addition, the Headteacher shall inform the Governors immediately if significant overspendings are likely to occur, resulting in the school budget falling into a financial deficit position.
- 3.6 The Governing Body shall consider the appropriate level of reserves and balances at the school.
- 3.7 In order to set a well-informed and balanced budget each year, the school should make a forward projection of its budget, including both revenue and capital funds, for at least three years. This is a requirement of SFVS. The Governing Body shall consider such financial forecast reports, ideally on a termly basis using the best / latest available information.

4.0 PURCHASING, TENDERING AND CONTRACTING REQUIREMENTS

4.1 The Governing Body is responsible for ensuring that purchases and contracts entered into for the supply of goods and services comply with Procurement Rules for Schools, in particular:

4.2 Contract Procurement Activity Requirements for **Services and Supplies** by Value

- ◇ orders or contracts of up to £25,000 may be entered into with a minimum of one quote, although at least three are recommended;
- ◇ for contracts or purchases between £25,001 and £249,999 in aggregate value, at least three written quotes are required or use of approved by Governors contractor;
- ◇ contracts over £250,000 in aggregate value must be publicly advertised and tenders invited for each contract.

Contract Procurement Activity Requirements for **Execution of Works** by Value

- ◇ orders or contracts of up to £24,999 may be entered into with a minimum of one quote, although at least three are recommended;
- ◇ for contracts or purchases between £25,000 and £99,999 in aggregate value, at least three written quotes are required;
- ◇ contracts over £250,000 in aggregate value must be publicly advertised and tenders invited for each contract.

4.3 The School Business Manager shall maintain a record and copies of all quotes and tenders received and retain for audit inspection.

4.4 The Governors, the Headteacher and also any member of staff who may have influence over purchasing decisions shall disclose any business interest they or their immediate family have in a Register of Business Interests maintained within the school. The person concerned shall be excluded from any decision or meeting whilst the contract or other matter which relates to their or their immediate family's business interest is being considered and/or voted upon. The business register is published on the school website and updated annually.

4.5 For a contract where a payment is to be received by the school, the highest tender should be accepted, but where a payment is to be made by the school, the lowest tender should be accepted. Departure from these requirements may occur only with the prior approval of the Governing Body and the reasons for not complying with the conditions must be recorded in the minutes of the meeting. The receipt of sponsorship must not be regarded as a valid reason for not complying with these conditions.

- 4.6 Where the Governors have established an approved list of suppliers or contractors any order shall be placed with an appropriate supplier from that list.
- 4.7 Building maintenance and new build orders shall only be placed with contractors who have adequate insurance.
- 4.8 The Headteacher shall maintain a record of all sponsorship received by the school, including the sponsor's name and details of cash/goods received, date of receipt and use made of cash/goods.
- 4.9 The school's budget share must not be used to purchase alcohol, for human consumption, except where it is to be used in religious services.
- 4.10 For some specific services or bespoke works, there may be occasion to only request quotes from one supplier/contractor. The reasons for the use of one supplier/contractor are to be recorded within the Finance Committee Meeting minutes.
- 4.11 Based on years of successful projects and professional operations, the Governors approved to appoint Piningtons and Unique Play as approved, bespoke contractors for school. This decision was also made with the awareness that both small building works and ground works within schools are bespoke projects with limited options regarding contractors. School would always assess and review that approved contractors provided value for money and undertake work in line with Public Sector principles.

5.0 LOCAL BANK ACCOUNT

- 5.1 The Governors decided to operate a local bank account for Morecambe Road School. The decision to change the school's banking arrangements was notified to the LA in July 2012.
- 5.2 After consultation with other schools it was decided to bank with Lloyds Bank - a bank on the approved LA list. Only Lloyds Bank is to be used for the operation of local banking arrangements.
- 5.3 Signatories, approvers and administrators of the bank account are to reflect an adequate separation of duties for payment with at least 3 people as authorised signatories/approvers but no more than 5.
- 5.4 Instalments of the budget share will be paid on a 12 equal monthly basis - on the 15th of each month or the previous working day if the 15th falls on a weekend/bank holiday. In accordance with Section 49(5) of the Code of Practice for Treasury Management in Local Authorities money advanced by the LA and held in the school's bank account remains the property of the LA until spent.

5.5 People and Pay Services manage the payroll for the school, payroll costs will be recovered from the school bank account. There is a consequent direct debit to recover gross pay and employers' contributions from the school's bank account. Under this arrangement, accounting for pay transactions is carried out by Douglas Grange Accountants.

5.6 From Autumn Term 2024, the Governors approved a Savings Account with Lloyds Bank. The account is instant access to ensure no cash flow issues. Governors agreed the setting up of the Lloyds App by the School Business Manager so that transfers could be made out of school hours.

6.0 AUTHORITY TO INCUR EXPENDITURE AND PLACE ORDERS

6.1 The Headteacher shall have delegated authority to incur expenditure on any goods and services or enter into any contracts related to the objectives of the school up to a value of £20,000 provided that the expenditure can be met from within the appropriate approved budget heading and that no liability in excess of £20,000 is incurred in any future year.

6.2 All orders for goods or service contracts of value £20,000 and above or with an annual commitment of more than that amount shall be subject to the prior approval of the Governing Body, including as part of the annual budget allocation and preparation procedures and reports.

6.3 The Headteacher is responsible for ensuring that there are secure arrangements for the authorisation of orders and the examination, verification, coding and certification of invoices including ensuring that:

- ◇ the duties of authorisation of school orders and the certification of accounts for payment are not performed by the same person, and wherever practicable the approval of ordering shall be performed by the more senior person.
- ◇ all official school orders shall be approved on Finance 6 firstly by the Headteacher or in their permanent absence the School Business Manager
- ◇ all invoices are authorised by the School Business Manager and processed by the School Business Support Officer.

7.0 VALUE ADDED TAX

7.1 The LA is able to reclaim VAT on expenditure relating to non-business activity and carries out this function on behalf of the school from the month end returns submitted by the School Business Manager.

8.0 DETERMINATION OF STAFFING ESTABLISHMENT

8.1 The Governing Body shall determine the staffing establishment for the school having regard to available financial resources.

9.0 CONTROL OF ASSETS

9.1 The Headteacher shall ensure that adequate arrangements exist for the security of all buildings and the physical control of stores and equipment and for the maintenance of records, having regard to any guidance or instructions issued by the LA.

9.2 The Governing Body shall determine a policy for the control of assets and the write-off of surplus equipment.

9.3 Assets are defined as any one individual object with a value (excluding VAT) of £200 or more or a highly desirable, portable single item eg cameras.

10.0 USE OF SCHOOL PREMISES

10.1 The Governing Body shall determine a lettings policy for the school.

10.2 Where the school has discretion relating to credits for use of school premises, these credits shall be determined by the Governing Body and shall be reviewed on an annual basis to ensure that overall there is no net cost to the school's budget share.

11.0 UNOFFICIAL SCHOOL FUNDS

11.1 Monies relating to unofficial school funds shall be held in a separate bank account identified with the name of the school and for which the signatures of at least two named persons shall be required to affect withdrawal from the account. The signatories to the account shall be appointed from the staff of the school by the Headteacher.

11.2 The Headteacher shall inform the Governing Body at the end of each financial year of the unofficial funds which are in existence or have existed during the year, indicating the general purpose of each fund. A summary and report of the accounts will be submitted to the Governing Body annually.

11.3 The School Business Manager shall submit copies of accounts for each unofficial fund together with an audit certificate to the LA on an annual basis.

11.4 One of the Unofficial School Funds is a registered charity and has its own governance document. The Trustees are the Headteacher and the School Business Manager.

11.5 The Charity and Trading Account are inspected/audited annually by an independent accountant.

12.0 CONSIDERATION OF AUDIT REPORTS

- 12.1 Any audit report in relation to the school produced by the County Treasurers or the County Council's external auditors shall be considered by the Governing Body.
- 12.2 The Governing Body shall approve any action plan arising from the audit and monitor implementation of that plan to ensure that all agreed action has been taken.

13.0 INCOME

- 13.1 The Governing Body shall determine a charging policy for the supply of any goods or services.
- 13.2 The Headteacher shall ensure that all income due to the school is accounted for in accordance with the school's charging policy.
- 13.3 Bad debts up to the value of £300 may be written off by the Headteacher without the prior approval of the Governing Body or nominated Committee. The Headteacher must report all such write-offs to the next meeting of the Governing Body or nominated Committee.
- 13.4 For bad debts in excess of £301, the prior approval to write off must be obtained from the Governing Body, or a nominated Committee.

14.0 GIFTS AND HOSPITALITY

- 14.1 Prior approval should be sought, where possible, from the Headteacher before school staff accept any gift or hospitality that is estimated to be beyond a face value of £25. Gifts should not be in the form of cash or securities; the gift or hospitality is a one-off and not repeated on a regular basis; and the gift or hospitality is given openly, not secretly.
- 14.2 Any offer or receipt of gifts or hospitality with a token value of above £25 shall be declared and the Headteacher should maintain a register of all declarations of gifts and hospitality. Completed declaration forms should be completed within 10 days of the date of the gift or hospitality. The register will be open to inspection by the Chair of Governors and Headteacher.

15.0 STAFF LOSS OR DAMAGE TO STAFF PERSONAL PROPERTY

- 15.1 Re-imburement (part or whole) for loss or damaged personal property will be considered by the Headteacher on an individual basis.
- 15.2 Staff must request re-imburement in writing within 1 working day of the loss or damage becoming known to them. A signed statement is to be submitted as a record of events with witnesses and third-party names. As soon as possible the member of staff is to obtain replacement quotes and valuations. All documents and paper work are to be passed to the School Business Manager.
- 15.3 All staff must be aware and consider safety and security of their personal property. Neglect to make personal property secure and safe will result in non-payment of the claim.
- 15.4 Payments from the School Budget for claims of £100 or less can be decided and authorised by the Headteacher. If more than £100 the payment is to be approved by both the Headteacher and Chair of Finance and must be reported in the minutes to the Finance Governors at the next meeting.
- 15.5 Reimbursement will be on a 'wear and tear' basis and reductions made in accordance with age and depreciation.
- 15.6 The School Business Manager will endeavour to reclaim costs from the School's Insurance Scheme.

16.0 BUSINESS INTEREST REGISTER

- 16.1 The Governing Body is required to have a register which lists for each member of the governing body, the headteacher and all school staff:
- Any business interests that they or any member of their immediate family have;
 - Details of any other educational establishments that they govern;
 - Any relationships between school staff and members of the governing body including spouses, partners, and relatives;
 - Staff must record work (paid and voluntary) which is additional and external to school including respite care of children and young people.
- 16.2 The register is updated annually. New staff and governors are to complete a form on induction.
- 16.3 The register is to be available for inspection by governors, staff, parents and the LA. It is published on the school website.

17.0 FRAUD

- 17.1 All schools must have a robust system of controls to safeguard themselves against fraudulent or improper use of public money and assets.
- 17.2 The Governing Body and the Headteacher must inform all staff of school policies and procedures related to fraud and theft, the controls in place to prevent them; and the consequences of breaching these controls. This information is to be part of staff and Governor induction.

18.0 RETENTION OF FINANCIAL RECORDS

- 18.1 All financial records are to be retained for the current year plus six previous years in line with the school's data protection policy retention schedule. Records include bank account documentation, cheques, income documents, petty cash details, invoices and orders.
- 18.2 Secure disposal will be arranged by school at the end of the retention period.
- 18.3 Schools are responsible for the storage of their own records.
- 18.4 Historical financial records, such as invoices and monthly reconciliation paperwork, will be scanned and electronically stored when practical and possible.

19.0 STAFF TRAINING AND QUALIFICATIONS – SCHOOL EXPENDITURES

- 19.1 School invest a significant amount of the school budget for Staff Training and Development. It does not represent value for money when investments are made for members of staff who, soon after completion of training and or qualification, leave Morecambe Road School. Therefore, the following recoupment will be invoiced to individual members of staff as applicable – note that the below relates to any training or qualification over the cost of £300 to school:
- If an employee leaves during training and qualification or within 12 months of completion, 50% to be repaid of total cost including additional expenses incurred.
 - If an employee leaves within 1-2 years of completion, 25% to be repaid of total cost including additional expenses incurred.
 - If employee leaves after 2 years of completion, there will be no repayment
- 19.2 Staff should always research courses with limited travel costs. However, it may be necessary for some courses that staff have to book into overnight accommodation. For these occasions, school will reimburse meal costs to the values as follows:

Breakfast - £10

Lunch - £5

Dinner - £15

- Totals include a meal and a drink.
- All other refreshment costs are paid for by the individual member of staff and are not to be claimed.
- The above totals are maximum limits to claim. Staff are encouraged to be economical with meal purchases.
- Totals are for each 'meal' time and not transferable to the next 'meal' eg if you do not have breakfast, this does not increase your lunch allowance to £15.

20.0 RISK PROTECTION ARRANGEMENT (INSURANCE)

- 20.1 From 1st January 2025, school transfer to the Risk Protection Arrangement under the Department for Education. It will no longer buy into the LA annual traded service.
- 20.2 RPA provides school with the same level of insurance cover as the LA insurance and also provides cover for extended services and for school trips, within the UK and abroad.

3. Terms of Reference for the Finance, Staffing, Health and Safety Committee

Terms of Reference for the Finance, Staffing, Health and Safety Committee

Membership

The Committee shall consist of no fewer than three members of the Governing Body. The Headteacher is ex-officio and a member of the Committee.

The Committee will elect a Chairman from within its membership

Non-voting participants may be invited to meetings by the Committee.

The Committee may have co-opted, non-voting members as the Governing Body shall appoint. The Committee may make recommendations for these appointments.

The membership of the Committee shall be reviewed and determined annually by the Governing Body.

The list of individual Governors who are members of the Finance, Staffing, Health and Safety Committee can be found on the school website.

Quorum

The quorum shall be no fewer than three members, including the Headteacher, but excluding any co-opted non-voting members.

Meetings

The Chairman shall be responsible for convening meetings of the Committee. Procedures of any meetings held must be minuted and these minutes presented to the next meeting of the Governing Body.

The Committee shall meet at least once a term and otherwise as required.

Responsibilities

1. To ensure proper, safe and effective use of the school's financial resources.
2. To provide guidance and assistance to the Headteacher and the Governing Body on all finance, staffing and health and safety related matters
3. To review and approve internal financial regulations for the financial management of the school taking account of guidance issued by the Authority.
4. To review and approve internal regulations for the staffing and safe management of school including accident reports and statistics
5. To approve virements between budget headings where the value is in excess of the sum delegated to the Headteacher under the school's Internal Financial Regulations.

6. To consider budget plans presented by the Headteacher and to make recommendations for a balanced, well informed and sustainable budget to the Governing Body for approval (with an agreed and timed plan for eliminating any deficit in accordance with the Scheme for Financing Schools).
7. To monitor income and expenditure throughout the year of all delegated and devolved funds against the annual budget plan, including Pupil Premium and where necessary, make recommendations to the governing body.
8. To establish and regularly monitor a three-year financial plan using the latest available information as required in SFVS.
9. To consider unofficial funds information provided by the Headteacher including
 - Details of the unofficial funds which are in existence or have existed during the year, indicating the general purpose of each fund
 - As soon as possible after the end of the accounting year a summary of the accounts of each unofficial fund signed by the Headteacher and the auditor appointed by the Governing Body
 - Confirmation that the Headteacher has submitted the unofficial school funds information to the Authority in the required format
10. To access, review and monitor Service Level Agreements (SLA) and to make decisions in respect of SLAs
11. Approve, monitor and review all policies on behalf of the Governing Body
12. To contribute to the school Development Plan including consideration of the longer-term resource requirements of the school.
13. To consider the appropriate level of reserves and balances taking account of guidance produced by the Authority.
14. To consider audit reports and other relevant reports and make recommendations to the Governing Body.
15. To consider appropriate arrangements to meet the Schools Financial Value Standard (SFVS).
16. To consider and advise on any financial matter referred to it by the governing body.
17. To respond, on behalf of the Governing Body, to any consultations relating to the Scheme of Delegation or the Funding of Schools.
18. To strategically develop and monitor an ongoing safety culture within school ensuring effective communication of health and safety issues to all concern

4. FRAUD POLICY AND RESPONSE PLAN

MORECAMBE ROAD SCHOOL

FRAUD POLICY AND RESPONSE PLAN

1. POLICY AIM

For the purposes of this policy and plan, fraud includes all irregularities which could normally be described as theft, deception, fraud, corruption, bribery or impropriety. Fraud adversely affects the school's reputation and puts at risk its ability to achieve its policies and objectives by diverting school's limited resources from the provision of pupil education.

The prevention of fraud and the protection of the School, its staff, students and assets, is the responsibility of every employee of the School.

The Governing Body aims to prevent and eliminate fraud by putting in place procedures and policies to manage, minimise and mitigate fraud or corruption. The Governing Body of Morecambe Road School will not, therefore, tolerate fraud in any area of school activity.

2. LEGISLATION

This policy is underpinned by statutory law on the offence of fraud through the Fraud Act 2006 and the Bribery and Corruption Act 2010.

In meeting this legislation and assessing the effectiveness of its arrangements, the school will consider the extent to which:

- key personnel are trained in detecting and investigating fraud
- identified incidents are investigated and reported to the Governing Body
- perpetrators are robustly dealt with
- the school responds to identified weaknesses in its systems and controls
- there is any trend in incidents experienced
- perpetrators are prosecuted
- recovery of losses has been sought

3. CONDUCT

The Governing Body expects all staff, students and governors to demonstrate the highest standards of honesty, probity, openness and integrity in the discharge of their functions. All employees, governors and visitors to the School are expected to comply with the appropriate legislation, codes of conduct, conditions of service, standards of appropriate professional bodies and any other standards, guidelines or instructions relevant to the particular service or activity. Morecambe Road School's Anti-Fraud and Corruption Policy will sit alongside the Whistleblowing Policy.

Staff are reminded of the Seven Principles of Public Service Employment detailed at Appendix 1 and that the Governing Body at Morecambe Road School expect all staff to work to these standards.

4. REPORTING AND DEALING WITH MATTERS IN RESPONSE TO SUSPECTED FRAUD AND/OR CORRUPTIVE PRACTICES

All employees are expected and positively encouraged to raise any concerns relating to suspected fraud and/or corruption that they become aware of. These concerns should be raised rapidly and directly with the Headteacher or the Chair of Governors, or in his absence, the Vice-Chair. The Headteacher or Chair will investigate all concerns of fraud.

If you suspect fraud:

DO - make an immediate note of all relevant details including dates, time of the event, record of conversations (including telephone), names of persons present (or description if name not known), if appropriate vehicle details

DO NOT

- confront or accuse anyone directly
- try to investigate the matter yourself
- discuss your suspicions with anyone else than the appropriate person
- be afraid to report a matter on the basis that your suspicions may be groundless; all reports will be treated on the basis that they are made in good faith.

An initial decision will be made by the Headteacher or Chair over the scale of the fraud and as to whether there is a crime scene to protect so that the police authority can take over investigations. All investigations at every stage must be kept confidential in order to reach an initial view as to whether further action is required. The Headteacher or Chair will ensure that a log is maintained of all reported incidents at the school.

The preliminary investigation may be delegated by the Headteacher to a member of management. The reporting, findings, conclusions, and any recommendations arising from the preliminary investigation is to be reported in writing to the Chair of the Full Governing Body, the Chair of the Finance Committee and the Headteacher. The procedures applied will broadly follow the format and structure that is adopted within the School's Disciplinary Policy.

Once initial enquiries have been considered, and it is deemed necessary to conduct further enquiries, it will be necessary to validate the findings and conduct a full investigation. If a full investigation is considered necessary, this will be undertaken by the appointment and implementation of an investigative sub-committee. The investigative sub-committee will be appointed where appropriate and will consist of the Chair of the Full Governing Body and the Chair of the Finance Committee plus one member of the Senior Leadership Team.

Once appointed the investigative sub-committee must deal with the matter in the strictest confidence and with expediency, and will:

1. Determine whether the findings and data or information captured warrant further investigation.
2. If further investigations are warranted, determine which, if any outside agencies should be involved or advice taken from (ie police, auditors, DfE).
3. Assess and quantify any risk that has occurred to the School.
4. Consider the findings thoroughly and rigorously in order to determine the management of any response.
5. Determine what course of action should be taken if it necessary for any wrongful conduct by an individual or individuals, and decide whether to implement the School's Disciplinary Procedures.
6. Determine any course of action to recover losses, ie insurance or direct recovery from the wrongdoers.
7. Evaluate the events that enabled the fraud to occur.
8. Ensure preventative action is taken to prevent future incidents.

APPENDIX 1

CONDUCT AND PRINCIPLES OF PUBLIC LIFE

Selflessness

Holders of public office should act solely in terms of the public interest. They should not do so in order to gain financial or other material benefits for themselves, their family, or their friends.

Integrity

Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might seek to influence them in the performance of their official duties.

Objectivity

In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.

Accountability

Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.

Openness

Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.

Honesty

Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.

Leadership

Holders of public office should promote and support these principles by leadership and example.

5. Charging and Remissions Policy

SCHOOL CHARGING AND REMISSIONS POLICY

INTRODUCTION

The charging and remissions policy is subject to annual review to ensure compliance with statutory requirements.

CHARGING POLICY

Activities without charge

There will be no charge for the following activities:

- Education provided wholly or mostly during school hours. This includes the supply of any materials, books, instruments, other equipment and also transport provided in school hours to carry pupils between the school and an activity;
- Education provided outside school hours if it is part of the national curriculum, or part of a syllabus for a prescribed public examination which the pupil is being prepared for at the school, or part of religious education;
- Instrumental and vocal music tuition for pupils learning individually or in groups, unless the tuition is provided at the request of the pupil's parent / carer.
- Entry for a prescribed public examination including re-sits if the pupil has been prepared for it at the school;
- Examination re-sit(s) if the pupil is being prepared for the re-sit at the school.

Voluntary Contributions

The school may ask for voluntary contributions towards the cost of school-time activities to assist with funding, subject to the following conditions:

- Any children of parents who do not wish to contribute will not be treated any differently;
- Where there are insufficient contributions to make the activity viable, or the school cannot fund it from some other source, then the activity will be cancelled.

All requests to parents for voluntary contributions will make it clear that the contributions are voluntary and that there is no obligation to contribute.

Chargeable Activities

The school may recover the full costs of the following activities but charges will not exceed actual cost:

- Any materials, books, instruments, or equipment, where the child's parent wishes him/her to own them;
- Optional extras (see below);
- Music and vocal tuition, in limited circumstances. (See Appendix B);
- Certain early years provision (see the Education (Charges for early years provision) regulations 2012);
- Community facilities. (See s27 education act 2002).

Optional Extras

Charges may be made for some activities which are detailed below:

- Education provided outside of school time that is not:
 - part of the national curriculum;
 - part of a syllabus for a prescribed public examination that the pupil is being prepared for at the school;
 - part of religious education.
- Examination entry fee(s) if the registered pupil has not been prepared for the examination(s) at the school;
- Transport (other than transport that is required to take the pupil to school or to other premises where the local authority/governing body have arranged for the pupil to be provided with education);
- Board and lodging for a pupil on a residential visit (subject to remission arrangements)
- Extended day services offered to pupils (for example breakfast club, after-school clubs, tea and supervised homework sessions where this is run under the responsibility of the governing body).

(Note: schools may wish to attach a schedule of current charges as an appendix to the policy)

In calculating the cost of optional extras an amount may be included in relation to:

- Any materials, books, instruments, or equipment provided in connection with the optional extra;

- The cost of buildings and accommodation;
- Non-teaching staff;
- Teaching staff engaged under contracts for services purely to provide an optional extra, this includes supply teachers engaged specifically to provide the optional extra; and
- The cost, or an appropriate proportion of the costs, for teaching staff employed to provide tuition in playing a musical instrument, or vocal tuition, where the tuition is an optional extra.

Any charge made in respect of individual pupils will not exceed the actual cost of providing the optional extra activity, divided equally by the number of pupils participating.

REMISSIONS POLICY

There will be no board and lodgings charges for pupils whose parents/carers are receiving specified benefits. This is subject to change but usually equates to pupils being eligible for free school meals.

Charges for other 'chargeable activities' may be fully or partially remitted. Where appropriate Governors approve the use of the delegated budget and other funding streams such as Pupil Premium to allow 'chargeable activities' to be fully or partly remitted.

Details of remission arrangements will be stipulated when parents are advised of charges for individual activities.

MUSIC TUITION

Although the law states that, in general, all education provided during school hours must be free, instrumental and vocal music tuition is an exception to that rule.

The Charges for Music Tuition (England) Regulations 2007 set out the circumstances in which charges can be made for tuition in playing a musical instrument, including vocal tuition.

Charges may now be made for vocal or instrumental tuition provided either individually, or to groups of any size, provided that the tuition is provided at the request of the pupil's parent. Charges may not exceed the cost of the provision, including the cost of the staff who provide the tuition.

6. E Payments (Parent Pay and Sum Up)

E Payments and Reconciliation

Introduction

Morecambe Road School uses Parent Pay for staff and pupil charges and Sum Up for the Learning Café transactions. Payments are credited weekly to the relevant bank account by both e payment providers.

For all transactions and reconciliations there is a clear audit trail managed by the School Business Manager.

Reconciliation

Both Parent Pay and Sum Up produce various reports which show details of payments, including a breakdown of payee and payment items. Such financial reports are printed and attached to the relevant bank statement as part of the reconciliation and audit process.

These reports are also used to check individual pupil and staff records (eg school lunch debts) are up to date.

The total net weekly incomes are reconciled to the school bank account statement.

The net income transferred may include:

- Gross Income (the total income paid by parents)
- VAT content (if applicable)
- Service Fee (the transaction charges)
- Refunds (where applicable)

Parent Pay will net off the service fee (and refunds where applicable) from the gross income collected. These are accounted for separately with the gross income credited to an income ledger code and the service fee debited against an expenditure ledger code. VAT is accounted for on the service fee.

Finance 6 and School Financial Records

Reconciliation for Parent Pay is processed using the direct central payments route on Finance 6. Reconciliation for Sum Up is processed using a manual entry spreadsheet which is inspected by a Chartered Accountant.

Refunds

Parent Pay provides for a refund back to the card used for the payment where a debit / credit card was used. The exception is for pay point transactions which will require a cheque or BACs refund.

7. School Income

School Income

Introduction

All income is receipted and banked promptly, in full, and in the form in which it was received. Income is recorded in the financial management system (FMS) system as soon as possible after receipt. This record, and copy receipts, are retained for audit purposes.

Individual receipts for cash and cheques received in school

Individual income receipts should be processed and posted on FMS at the time of receipt and may be issued for all official income which is physically received in school.

Summary receipts for cash and cheques received in school

An income receipt is issued for all income physically received in school. The FMS receipt is posted on the day of banking. Income should be banked on the accumulation of £100 cash or at least weekly.

Cashless Payment Income System Reconciliation – see Section 6 :E Payments

Cashless systems in school (Parent Pay or Sum Up) are used and cash payments denied for lunches, trips, staff collections, etc. This is because cashless payments avoid school staff physically handling cash/cheques and FMS reconciliations can be undertaken using the direct central receipts route.

Cashless Income systems avoid fraud and loss of cash and or cheques.

8. Lettings Policy



MORECAMBE ROAD SCHOOL LETTINGS POLICY

The Governing Body actively encourages community use of the school buildings. However, it reserves the right to refuse any lettings it may choose. Charges are set in line with the current LA Budget costs to ensure no financial impact on school budget. The Governing Body have agreed that the School Hall, on its own, maybe let at a cost of £30 per hour before 6pm.

The Governing Body ensure that appropriate arrangements are in place to keep children safe. When services or activities are provided by the governing body or proprietor, under the direct supervision or management of their school or college staff, their arrangements for child protection will apply. However, where services or activities are provided separately by another body this is not necessarily the case. The governing body will therefore seek assurance that the provider concerned has appropriate safeguarding and child protection policies and procedures in place (including inspecting these as needed); and ensure that there are arrangements in place for the provider to liaise with the school or college on these matters where appropriate. This applies regardless of whether or not the children who attend any of these services or activities are children on the school roll. The governing body or proprietor should also ensure safeguarding requirements are included in any transfer of control agreement (i.e. lease or hire agreement), as a condition of use and occupation of the premises; and that failure to comply with this would lead to termination of the agreement. The [guidance on Keeping children safe in out-of-school settings](#) details the safeguarding arrangements that school will expect these providers to have in place.

Schools safeguarding policies set out the arrangements for individuals coming onto their premises, which may include an assessment of the education value, the age appropriateness of what is going to be delivered and whether relevant checks will be required. School may receive an allegation relating to an incident that happened when an individual or organisation was using their school premises for the purposes of running activities for children (for example community groups, sports associations, or service providers that run extra-curricular activities). As with any safeguarding allegation, school will follow their safeguarding policies and procedures, including informing the LADO.

The hirer must be willing to meet with school officials and provide details of their aims and objectives. Hirers should follow the appropriate keeping children safe in education guidance [After-school clubs, community activities, and tuition safeguarding guidance for providers \(publishing.service.gov.uk\)](#)

The Governing Body will ensure that the school budget does not subsidise non- school activities and that all costs are recovered. Charges will be reviewed annually by the Governing Body. Non-use of subsidies from the school budget will only apply to clubs run for community use. There will be exceptions for those clubs for which membership is only the pupils at Morecambe Road School.

Each hirer using the school will be required to nominate a contact person. Such a person is deemed to be in charge and able to investigate any difficulties which may arise.

The Governing Body will determine if a nominated person from school is required on site when the premises are being used. If not, a responsible person must be on call.

A Letting Application / Indemnity Form must be completed by all applicants – Appendix A. A signed copy of the application form, if approved by the school, will be returned to the hirer. For long term lettings application forms will be reviewed on an annual basis.

No lettings will be approved giving the user exclusive possession (note: this is a legal requirement, not to be confused with a sole letting).

Any hirer that uses the school must be adequately insured (with a minimum of £5m public liability insurance) and insurance documents must be attached to the application.

All hirers must comply with health and safety legislation.

The hirer is responsible for following safer recruitment procedures including that DBS checks have been undertaken and other elements that may be relevant for working with children.

Arrangements for the payment of each letting will be made in advance with the hirer concerned.

Smoking is not allowed on the premises in line with school policy.

Alcoholic Drinks – sale or drinking of alcohol will not be permitted at any time

Appendix A

USE OF MORECAMBE ROAD SCHOOL PREMISES APPLICATION FORM NO: _____

1 Name of Organisation: _____

Name of Applicant: _____

Address: _____

_____ Telephone: _____

2 Name and address of person to be billed if not same as 1:

3 Details of premises required:

(a) Name of School: _____

(b) Date(s) required: _____

(c) Accommodation Required.

Type of Accommodation	Tick if required	From	To
Classroom: Number Required:			
Assembly Hall			
Arts Theatre			
Sports Hall			
Gymnasium			
*Swimming/Learner Pool			
*Squash/Tennis Court			
*Netball/Playing/Cricket Pitch			
Running Track			
Changing room only			
Changing Room and Shower			

4 Purpose for which accommodation/premises are required:

If the letting is of a commercial nature, please supply details: _____

Please state here any additional requirements:

Will the general public be admitted?

YES*	NO
------	----

Details of admission charges: _____

Is copyright music to be performed?

YES*	NO
------	----

Will the use of a piano be required?

YES*	NO
------	----

Approximate number of people attending:

Do you intend to use/bring into the premises any additional electrical equipment:
(see note 6 below)

*If you answer yes to any of these, please provide further details on a separate sheet

* (Delete as appropriate)

5 VAT Regulations Relating to the use of Sports Facilities

Room hire alone is exempt. For example the local Brownies hiring the school hall or sports hall for a table top sale would be exempted from VAT.

If the local football club hired the school hall (NOT a sports hall) to play football, the letting would be exempt as the hall is not a sports facility.

If the local football club hired the school sports hall to play football as a one off letting, it would be standard rated.

Premises are sports facilities if they are designed or adapted for playing any sport or taking part in any physical recreation, such as swimming pools, football pitches, dance studios and skating rinks. Each court or pitch (or lane in the case of bowling alley, curling rink or swimming pool) is a separate sports facility.

However, if the same football club hired the school sports hall for a series of lets, they will be exempted from paying VAT if they meet all the following criteria:

- The bookings are for at least 10 sessions
- The interval between the sessions is not less than 1 day and no more than 14 days apart
- The bookings are all for the same activity
- The whole series is to be paid for (there must be written evidence of this)
- The grantee has exclusive use of the facilities
- The grantee is a school, club, an association or an organisation representing affiliated clubs or constituent associations.

I/WE HAVE READ THE CONDITIONS OUTLINED ABOVE AND APPLY TO BE EXEMPT FROM PAYING VAT AS WE FULFIL ALL THE ABOVE CRITERIA

SIGNED: _____

On BEHALF OF: _____

DATE: _____

6. Memorandum of Agreement and Indemnity to be completed for all applications:

In consideration of the Governors and/or Lancashire County Council granting me/us the use of the aforementioned premises, I/we agree to pay to the Governors or to the County Council the prescribed hire charge and to replace or pay to the Governors or the County Council the cost of making good any damage caused to the premises by me/us.

It is further acknowledged and agreed that the Governors and/or the County Council give no warranty of the suitability of the premises for the use to which I/we intend to put them and I/we hereby agree to indemnify the Governors and/or the County Council, their officers, servants and agents against all actions, costs, claims and demands arising out of any accidents and/or loss which may occur on the said premises during their use by me/us provided that the same is not due to any negligence, omission or default of the Governors and/or the County Council, their officers, servants or agents.

Under no circumstances shall the permanent electrical installation be altered or otherwise interfered with. Permission for hirers to erect any temporary wiring for specific function or purpose shall only be carried out on approval by both the Lancashire County Property Group and the Licensing Section of Lancashire County Council. Further, I/We undertake to check and inspect the facilities to ensure that they are clear and free of hazardous material, debris and spillages prior to use.

It is further acknowledged and agreed that I/we will indemnify the Governors and/or the County Council in respect of all actions, costs, claims and demands arising out of any breach of copyright as defined in the Copyright Act 1956, or under any other enactment in that behalf for the time being in force in respect of any performance of any literary, dramatic, or musical work, which takes place or which is given while the said premises are being used by me/us, our servants or agents.

Under no circumstances does this letting give the user exclusive possession.
(The hirer should produce evidence that this indemnity is protected by adequate insurance cover).

Signature _____
Designation _____
Date _____

SCHOOL USE ONLY

1 This application for the use of school premises is acceptable to us:

(Delete as appropriate)

YES	NO
-----	----

2 The Governors have determined that this will be:-

(a) **A free letting** (Delete as appropriate)

YES	NO
-----	----

(b) **A chargeable letting at a cost of £** _____ **per hour/session**

3 Lettings income will be collected by the school Plus VAT where applicable

Signed Date
(Headteacher)

9. Debt Management Policy

DEBT MANAGEMENT POLICY

DEBT MANAGEMENT POLICY

1.0 INTRODUCTION

- 1.1 The Governing Body is responsible for ensuring that procedures are in place for the recovery of any outstanding debt.
- 1.2 This policy sets out procedures for debt recovery and for the write-off of any debt which is deemed to be irrecoverable.

2.0 POLICY

- 2.1 Payment should be obtained as and when goods and services are provided wherever possible; in particular where the value of the goods and services is relatively small, i.e. less than £100.
- 2.2 Where payment is not received at the time when the goods or services are delivered an invoice must be raised as soon as possible but normally within 10 working days after a debt becomes due.
- 2.3 Invoices should require immediate payment.
- 2.4 Final reminders should be issued if no payment is received within 28 days. The final reminder should make it clear that legal action will be considered if payment is not received within a further 14 days.
- 2.5 At each Governing Body/Finance Committee meeting, the headteacher is required to inform the governors of any debt which is still outstanding after the 14-day period following the final reminder together with any proposed action. This may be a referral to a debt collection agency, to solicitors for legal action or to write-off the debt if there is no realistic prospect of debt recovery being successful or if further action is not cost-effective.
- 2.6 Outstanding debt of up to £200 may be written-off by the headteacher provided that the appropriate follow-up action outlined above has been taken and the details of the debtor, amount of write-off and reason for no further action being taken is reported to the Finance Committee for information at their next meeting.
- 2.7 Write-off of outstanding debt in excess of £200 must be approved by the Finance Committee following submission of details of the debt by the headteacher together with reasons for no further action being taken.
- 2.8 If deemed appropriate, the Governors agree to school using the small claims court after communication with the debtor has been exhausted. This can be facilitated by an online civil money claim.

COLLECTION OF SCHOOL MEALS MONEY AND SCHOOL MEALS DEBT

Introduction

This policy concerns the collection of school meals money and the approach to be taken in the cases of debts arising when parents/carers fail to pay for school meals. Parents/carers will be sent a copy of this policy when their children start at the school.

General Principle

School meals must be paid for in advance. If a pupil is to have meals for the duration of the week monies must be received before the start of that week or if the school is to accept pupils having an occasional meal, monies must be received on the day of the meal.

If debts are incurred, then the school budget has to pay for them. This means that money which should be spent on all pupils' education in school is used to pay for debts incurred by individual parents/carers. The governing body see this as unacceptable and request that all parents/carers give this policy their full support.

Free School Meals Entitlement

Pupils will not be provided with a school meal unless it is paid for, except those confirmed as entitled to free school meals. If parents/carers believe that their child(ren) may qualify for entitlement to Free School Meals they should contact the School Office. As this allowance is a statutory right for qualifying pupils it is important that parents/carers make use of it.

The school is only allowed to provide free school meals to pupils where this is officially approved and informed in writing by the Local Authority.

Procedure for Collection of Arrears

It is accepted that on occasion arrears may arise for various reasons eg pupils forget their dinner money or are absent on the day it is collected. However, arrears cannot be allowed to accumulate. The governing body has therefore agreed the following policy where arrears arise.

A gentle reminder letter will be sent home after 1 week of accumulated arrears (Appendix 1).

The parent/carer will be informed in writing when three weeks' arrears have accumulated and advised to make immediate payment (Appendix 2).

A final letter to the parent/guardian informing them that no meals will be provided for their child(ren) if payment has not been received by a specified date, (ie in accordance with the policy the date when four weeks' arrears have accumulated).

No meals to be provided to pupils when arrears exceed four weeks.

Once the final letter deadline has expired the debt will be passed onto the debt recovery team at Lancashire County Council where legal proceeding may begin.

APPENDIX 1

Date:

Gentle reminder letter

Child's name:

Dear parent/ guardian

According to our records there is outstanding dinner monies for your child(ren).

£_____, this is for the dates _____.

Please access your parent pay account and pay the balance outstanding. If you have any queries, please contact the school office.

Regards

Headteacher

APPENDIX 2

Date:

Accumulated School Meal Arrears

Child's name:

Dear parent/ guardian

Following the letter dated _____ sent home regarding outstanding school dinner money, our records show that this has not been paid for the period _____ to _____.

To date the amount of arrears is now £_____.

If the debt is not cleared, you must provide a packed lunch. In a case when a debt payment is not received nor a packed lunch provided, we will phone to ask you to come to school with the money or to provide sandwiches before lunch time.

Please access your parent pay account and pay the balance outstanding. If you have any queries and/ or wish to discuss this matter please contact the school office.

Regards

Headteacher

APPENDIX 3

Date:

Non-payment of school dinner money arrears.

Child's name:

Dear parent/ guardian

Our records show that you have not cleared the school dinner money arrears for your child(ren) despite previous letters sent home on _____ and _____.

Arrears to date total £ _____

In following the school policy on dinner money arrears, a copy of which you were sent when your child started at the schools, I must inform you that if payment is not received within 5 working days of the date of this letter, the debt will be referred to a Debt Recovery Team.

I am obliged to warn you that the debt recovery procedure can result in a summons to Court. Until the debt is cleared, I must instruct you to make alternative arrangements for your child(ren)s lunch as no meals will be provided in school from _____ (insert date).

Please access your parent pay account and pay the balance outstanding.

Should you wish to discuss any issue regarding this debt, please contact the school.

Yours Sincerely

Headteacher

10. Control and Disposal of Assets Policy

THE CONTROL OF ASSETS

INTRODUCTION

The Governing Body is responsible for ensuring that assets purchased by the school are disposed of in an appropriate manner.

This policy sets out a framework to identify who has the authority to declare items to be obsolete, surplus or damaged beyond repair, and to determine the means of disposal.

POLICY

Any item which is obsolete or damaged beyond repair and is not appropriate for sale may be written off by the Headteacher, but must be reported to the Governing Body at the next meeting for information.

Any item which is surplus to the school's requirements and has a saleable value may be sold by the most appropriate means to achieve the best possible price.

The Headteacher may arrange for the sale of items of estimated value up to £2,500. The sale of these items must be reported to the Governing Body at the next meeting.

The means of disposal of items with an estimated value of £2,500 or more shall be determined by the Governing Body.

All income received must be paid into the school budget and VAT identified where appropriate.

The disposal of an item of equipment must be recorded in the school's inventory together with the date of disposal, and the amount of sales proceeds if appropriate. The date of the Governing Body meeting when the disposal was reported/approved must also be recorded.

Use of Ebay

Morecambe Road School does not use Ebay for second hand item purchases for the following reasons:

- Transactions can create risks such as items not made for public, commercial standards
- There is potential for prospective buyers and sellers to fraudulently make claims against School
- Cost of administrating the account with the details required for audit purposes and operational costs eg queries from bidders or sellers
- Problems may be experienced with buyers complaining about damaged or faulty goods.

Governing Bodies need to ensure that adequate arrangements are made for the security of buildings and for the control of stocks and equipment. It is recommended that:

1. A permanent record is maintained in school of all 'stock' items

These will include computer equipment, audio/visual equipment, musical instruments, cleaning or handicrafts equipment. The minimum value of £200 is set for these individual items or any other 'desirable' items under this value which the school may possess.

There is no need for the school to record furniture, although it may do so if it wishes. The school stock record may be manual or computer-based using for example the SIMS Equipment module.

2. The stock report is updated regularly

Items should be entered into the stock record as soon as possible after their receipt or disposal by the school, or their loss through theft or damage. To facilitate this, a School Business Support Officer is responsible for the control of stock items and updates to the stock record. The date of additions or disposals should be recorded in the stock record.

3. Items are clearly identified in the stock record

There should be sufficient detail in the stock record to allow individual items to be identified. To assist this process, serial numbers, in addition to make and model numbers, should be recorded. An asset number is applied to each item.

4. Regular stock checks are undertaken

Physical checks of equipment and stores against relevant records are undertaken annually by a person not responsible for their custody.

The number of items in stock is verified and the stock record signed and dated by the checking officer

5. Discrepancies are reported to the Governors

Governors are informed after completion of the annual stocktake of disposals and discrepancies between the actual and recorded stock where the value exceeds (£200).

6. There is a clear policy for the disposal of assets

See separate Disposal policy. Where items are to be sold, Governors should seek to achieve the best price for the items being sold. Where Governors choose not to accept the highest offer, their reasons for not doing so should be recorded and retained at the school. When disposing of equipment, it is important to be aware of information assurance responsibilities, i.e. ensuring that any data is wiped from any IT, documents are cleared from furniture draws etc.

7. There is separation of duties in the control of assets and disposal of assets

The same person is not responsible for the custody and control of assets and the disposal and receipt of income for assets. Where payment is received the income is banked to the school budget.

DISPOSAL OF ASSETS

1.0 INTRODUCTION

1.1 The Governing Body is responsible for ensuring that assets purchased by the school are disposed of in an appropriate manner.

1.2 This policy sets out a framework to identify who has the authority to declare items to be obsolete, surplus or damaged beyond repair, and to determine the means of disposal.

2.0 POLICY

2.1 Any item which is obsolete or damaged beyond repair and is not appropriate for sale may only be written off by the Headteacher. After each annual stock take the list of asset disposals will be reported to the Governing Body.

2.2 Any item which is surplus to the school's requirements and has a saleable value may be sold by the most appropriate means to achieve the best possible price.

2.3 The Headteacher may arrange for the sale of items of estimated value up to £2,500. The sale of these items must be reported to the Governing Body at the next meeting.

2.4 The means of disposal of items with an estimated value of £2,500 or more shall be determined by the Governing Body.

2.5 All income received must be paid into the school budget and VAT identified where appropriate.

2.6 The disposal of an item of equipment must be recorded in the school's inventory together with the date of disposal, and the amount of sales proceeds if appropriate.

2.7 For assets that are stolen the member of staff must inform the Headteacher immediately and follow this up with a written report of the circumstances. This should include if applicable the arrangements made regarding the item being off school premises and records of police reports. The details will then be passed to the Finance Committee to make the decision about replacement of the asset and any responsibility to be addressed with the stock holder.

2.8 Inappropriate use or misuse of a school asset may be dealt with under the school's disciplinary policy.

2.9 IT items to be disposed must be removed of all data by the school's IT support team and the team will arrange for appropriate re-cycling.

3.0 School stock items will not be sold on sites such as Ebay

11. Whistleblowing Policy

LANCASHIRE COUNTY COUNCIL

WHISTLEBLOWING POLICY FOR ALL STAFF IN DELEGATED SCHOOLS (MAY 2023)

1. Introduction

- 1.1 The Governing Body is committed to the highest possible standards of openness, probity and accountability. In line with that commitment, we expect employees, and others that we deal with, who have serious concerns about any aspect of the school's work to come forward and voice those concerns. It is recognised that most cases will have to proceed on a confidential basis.
- 1.2 Under this Whistleblowing Policy you can raise such concerns without fear of victimisation, subsequent discrimination or disadvantage. Any employee who raises a concern is protected by the Public Interest Disclosure Act 1998, part of which was updated by the Enterprise and Regulatory Reform Act 2013. The Policy is intended to encourage and enable employees to raise serious concerns within the school or the council rather than overlooking a problem or 'blowing the whistle' outside.
- 1.3 Employees are often the first to realise that there may be something seriously wrong within the school/council. However, they may not express their concerns because they feel that speaking up would be disloyal to their colleagues, the school or to the council. They may also fear harassment or victimisation. In these circumstances it may be easier to ignore the concern rather than report what may just be a suspicion of malpractice.
- 1.4 The policy applies to all employees and applies equally to those designated as casual, temporary or agency workers and authorised volunteers, those on work experience and governors. It also applies to contractors working for the school or the council on the school's premises e.g. agency staff, builders, drivers, and covers suppliers and those providing services under a contract with the school in their own premises. Members of the public should raise concerns relating to any aspect of school business under the school's Complaints Procedure.
- 1.5 This policy is in addition to the schools/council's complaints procedures and other statutory reporting procedures, including safeguarding procedures. Employees should be made aware of the existence of these procedures.
- 1.6 This policy has been discussed with the recognised trade unions/professional associations and the Diocesan Authorities and has their support.

2. Aims and scope of this policy

2.1 This policy aims to:

- encourage you to feel confident in raising serious concerns and to question and act upon concerns about practice;
- provide avenues for you to raise those concerns and receive feedback on any action taken;

- ensure that you receive a response to your concerns and that you are aware of how to pursue them if you are not satisfied; and
- reassure you that you will be protected from possible reprisals or victimisation if you have a reasonable belief that you have made any disclosure which is in the public interest.

2.2 There are existing procedures in place to enable you to lodge a grievance or complaint relating to your own employment. The Whistleblowing Policy is intended to cover major concerns that fall outside the scope of other procedures.

These include:

- conduct which is an offence or a breach of law;
- failure to comply with a legal obligation;
- disclosures related to miscarriages of justice;
- racial, sexual, disability or other discrimination where other procedures, such as the school's Bullying and Harassment Procedure, do not apply;
- health and safety risks, including risks to the public/pupils as well as other employees;
- damage to the environment;
- the unauthorised use of public funds;
- possible fraud, bribery and corruption, including but not limited to, theft of property, financial irregularities, misuse of property and school systems, nepotism, conflicts of interest, or supplier kickbacks;
- sexual or physical abuse of pupil. Disclosures of this nature must always be made and dealt with under the school's safeguarding procedures;
- other unethical conduct; and
- actions which are unprofessional or inappropriate or conflict with a general understanding of what is right and wrong.

Note: There is a requirement under the Scheme for Financing Schools in Lancashire for the Governing Body to notify the council's Internal Audit Service immediately of all (actual or suspected) financial or accounting irregularities. This requirement is not superseded by this Whistleblowing Policy and the Governing Body will need to act accordingly if a financial issue is raised.

2.3 Thus, any serious concerns that you have about any aspect of service provision or the conduct of school staff, governors, officers/members of the council or others acting on behalf of the school can be reported under the Whistleblowing Policy. This may be about something that

- makes you feel uncomfortable in terms of known standards, your experience or the standards you believe the governors and the school subscribe to;
- is against the school's policies, procedures or School Governance Regulations 2013;
- falls below established standards of practice; or
- amounts to improper conduct.

2.4 This policy does not replace the school or the council's complaints procedures.

3. Key principles

- 3.1 The school is committed to good practice and high standards and wants to be supportive of all its employees.
- 3.2 The school recognises that the decision to report a concern can be a difficult one to make. If what you are saying is true, you should have nothing to fear because you will be doing your duty to your employer and to those for whom you are providing a service.
- 3.3 The Governing Body will not tolerate any harassment or victimisation (including informal pressures) and will take appropriate action to protect you when you raise a concern which is in the public interest. Any member of staff who harasses or victimises a whistleblower may not only be personally liable but will be subject to disciplinary action.
- 3.4 All disclosures will be treated seriously and will be reviewed in accordance with the Public Interest Disclosure Act 1998 (PIDA). As a member of the school's staff or a worker at the school, you have statutory protection against victimisation and dismissal under the PIDA if you speak out genuinely against corruption and malpractice at work, if the reason for the victimisation or dismissal is because you have made a disclosure which is protected under PIDA.
- 3.5 "Malpractice" includes any kind of improper practice or conduct which falls short of what is reasonably expected whether it relates to a positive act or omission and includes any form of harassment. The school will not tolerate harassment or victimisation.
- 3.6 It is essential for all concerned that disclosures of wrongdoing or irregularity are dealt with properly, quickly and discreetly. This is in the interests of the school, its employees, any persons who are the subject of such allegations, as well as the person making the disclosure.
- 3.7 Investigations into allegations of potential malpractice will not influence or be influenced by any disciplinary or redundancy proceedings that are already taking place.

4. Confidentiality

- 4.1 All concerns will be treated in confidence and every effort will be made not to reveal your identity if you so wish. It must be appreciated that the investigation process may reveal the source of the information and you may need to come forward as a witness and provide a statement as part of the evidence.
- 4.2 It may be possible to establish the truth about allegations from another independent source and the school will seek to do this where possible.
- 4.3 The school expects all organisations that deal with us and who have serious concerns about any aspect of the school's work to come forward and voice those concerns. It is recognised that most cases will have to proceed on a confidential basis.

5. Anonymous allegations

5.1 This policy encourages you to put your name to your allegation whenever possible.

5.2 Where an individual chooses to report their concerns anonymously, such anonymity will be respected. However, our ability to investigate anonymous complaints can be hampered by not being able to further explore issues or obtain evidence during the investigative process. Furthermore, if we do not know who has provided the information, it is not possible to either reassure or protect you.

5.3 Concerns expressed anonymously may be less powerful and will only be considered at the discretion of the school. In exercising such discretion, the following factors may need to be taken into account:

- the seriousness of the issues raised;
- the credibility of the concern; and
- the likelihood of confirming the allegation from attributable sources.

5.4 If the allegation suggests criminal activity and the case warrants police assistance, the identity of the person reporting the details may be important at a later date if criminal proceedings are to be pursued effectively. Identification is therefore preferred and will assist the investigation.

6. Untrue allegations

6.1 If you make an allegation which you believe is in the public interest but it is not confirmed by the investigation, no action will be taken against you. If, however, you make an allegation frivolously, maliciously, or for personal gain, disciplinary action may be taken against you if you are a school employee.

6.2 If you are a School Governor, you may breach the Code of Conduct for School Governing Bodies. If you are a contractor or partner, such allegations may put you in breach of your contractual responsibilities to the school.

6.3 Malicious or vexatious allegations include those that are trivial and do not have substance and are made persistently to cause trouble.

7. How to raise a concern

7.1 In raising a concern, you should provide the following information:

- the background and history of the concern (giving relevant dates);
- the reason why you are particularly concerned about the situation;
- the name(s) of any colleagues/employees who you consider are directly involved; and
- the name(s) of any colleagues/employees who you believe may be able to help provide further information.

7.2 Concerns should normally be raised with a designated senior member of staff e.g. Headteacher/Chair of Governors. This depends, however, on the seriousness and sensitivity of the issues involved and who is suspected of the malpractice. For

example, if you believe that senior management of the school is involved you may wish to approach a senior officer of the council. If you believe officers of the council generally are involved, you should approach the council's Director of Corporate Services (in the role of monitoring officer) or in the case of a financial issue, the council's Internal Audit Service.

7.3 Staff in Voluntary Aided Schools may wish to approach a Diocesan Authority Officer. If it is believed that officers of the Diocesan/Church Authorities are involved, an approach might be made directly to the Bishop.

7.4 If however, you feel that you still want to raise your concerns with the council, there are a number of options to choose from. Concerns may be raised verbally to the whistleblowing telephone line, by email, by an on-line referral form or in writing.

7.5 To make a confidential telephone call please ring the dedicated whistleblowing number **01772 532500**, where you will be requested to press 1 for financial matters (directed to the Internal Audit Service) and 2 if it relates to any other concern (directed to Human Resources).

7.6 Financial matters include the following:

- theft of property including assets and cash;
- financial irregularities including those affecting cash, stores, property, remuneration or allowances;
- fraud;
- misuse of school property, vehicles or equipment;
- misuse of school systems;
- nepotism;
- conflicts of interest giving rise to fraud, bribery or corruption;
- supplier kickbacks.

7.7 An officer will answer your call and if the officer is unavailable, there will be an opportunity to leave a voicemail message. An officer will return your call if you so wish but please remember to leave a telephone number in your message.

7.8 If you prefer to use email there are two dedicated email addresses:

- For financial concerns – internalauditinvestigations@lancashire.gov.uk
- For any other concern - WhistleblowingComplaints@lancashire.gov.uk

7.9 An on-line referral form is available which contains two options; one for financial concerns and one for any other concern. The form can be accessed by following this link [Whistleblowing Referral Form](#).

7.10 Concerns can also be made in writing and correspondence should be sent:

- For financial concerns to – Head of Service Internal Audit, Internal Audit Service, Finance Directorate, Lancashire County Council, County Hall, Preston, PR1 0LD.

- For any other concern to – Head of Service Human Resources, Human Resources Service Centre, Corporate Services Directorate, Lancashire County Council, County Hall, Preston, PR1 0LD.

7.11 Alternatively, you may contact a representative of the Schools Human Resources Team:

- Jeanette Whitham, Head of Schools HR Team - 01772 530436
- Steve Lewis, Senior HR Manager 01772 531776
(Districts 1 & 2 – Lancaster & Morecambe and Wyre)
- Claire Neville, Senior HR Manager - 01772 530435
(Districts 4 & 6 – Fylde and Preston)
- Vic Welch, Senior HR Manager - 01772 531814
(Districts 7 and 8 - South Ribble and West Lancashire)
- Andy Cooper, Senior HR Manager – 01772 535781
(Districts 9 and 11 – Chorley and Hyndburn)
- Karen Tracey, Senior HR Manager - 01772 535175
(Districts 12, 13, 14 - Burnley, Pendle, Rossendale)

7.12 The earlier you express the concern, the easier it is for action to be taken.

7.13 Although you are not expected to prove beyond doubt the truth of an allegation, you will need to demonstrate to the person contacted that there are reasonable grounds for your concern.

7.14 You may wish to consider discussing your concern with a colleague first and you may find it easier to raise the matter as a collective concern if there are two (or more) of you who have had the same experience or concerns.

7.15 You may invite a fellow worker, a trade union representative or an official employed by a trade union to be present during any meetings or interviews in connection with the concerns you have raised.

7.16 If you believe that you have to take the matter externally, possible contacts are listed at Section 10 of this policy.

8. How the Governing Body/council will respond

8.1 The Governing Body/council will provide a response to your concerns. If you confirm your wish to raise the concerns formally under this policy, a responsible person will be designated by the school management, where appropriate, or by the management of the council, to co-ordinate the response to the concerns you have raised, in consultation with the Director of Corporate Services or the Internal Audit Service as necessary. The responsible person will respond to you in accordance with paragraph 8.6 below and where the responsible person is outside the management of the school, s/he will notify the council's Director of Corporate Services for registration, monitoring and annual reporting purposes.

8.2 Where appropriate, the matters raised may:

- be investigated by school/council management, internal audit, or through the disciplinary procedure;
- be referred to the police;
- be referred to the external auditor; or
- form the subject of an independent inquiry.

8.3 In order to protect individuals and those accused of misdeeds or possible malpractice, initial enquiries will be made to decide whether an investigation is appropriate and, if so, what form it should take. Such testing out of your concerns is not the same as either accepting or rejecting them. The overriding principle which school management/the council will have in mind is the public interest.

8.4 Concerns or allegations which fall within the scope of specific procedures (for example, child protection or discrimination issues) will normally be referred for consideration under those procedures.

8.5 Some concerns may be resolved by agreed action without the need for investigation. If urgent action is required this will be taken before any investigation is conducted.

8.6 Within ten working days of a concern being raised, the responsible person will write to you to:

- acknowledge that the concern has been received;
- indicate how it is proposed to deal with the matter;
- provide an estimate of how long it will take to provide a final response;
- inform you whether any initial enquiries have been made;
- supply you with information on staff support mechanisms (where appropriate);
and
- inform you whether further investigations will take place and if not, why not.

8.7 The amount of contact between those considering the issues and you will depend on the nature of the matters raised, the potential difficulties involved and the clarity of the information provided. If necessary further information will be sought from you.

8.8 Where any meeting is arranged under this policy, away from school premises if you so wish, you can be accompanied by a trade union or professional association representative or work colleague.

8.9 The Governing Body will take steps to minimise any difficulties which you may experience as a result of raising a concern. For example, if you are required to give evidence in criminal or disciplinary proceedings, arrangements will be made for you to receive appropriate advice about the procedure.

8.10 It is accepted that you need to be assured that the matter has been properly addressed. Thus, subject to legal constraints, you will be informed of the outcome of any investigation.

9. The Responsible Officer

9.1 The Headteacher has overall responsibility for the maintenance and operation of this policy in respect of concerns raised formally within the school, and should maintain a record of concerns raised and the outcome to report as necessary to the Governing Body.

9.2 The council's Director of Corporate Services has overall responsibility for the maintenance and operation of this policy in respect of concerns raised formally outside the management of the school and will maintain appropriate records of concerns raised and report as necessary to the council.

10. How the matter can be taken further

10.1 This policy is intended to provide you with an avenue within the School/council to raise concerns. The Governing Body hopes you will be satisfied with any action taken. If you are not, and if you feel it is right to take the matter outside the School/council, you may wish to contact your trade union/professional association or one of the following possible contact points:

External Auditor	<input type="checkbox"/> Grant Thornton LLP 4 Hardman Square Spinningfields Manchester M3 3EB ☎ 0161 953 6900 Website: https://www.grantthornton.co.uk/en/office-locations/?location=manchester
Public Concern at Work	<input type="checkbox"/> Public Concern at Work CAN Mezzanine 7-14 Great Dover Street London SE1 4YR ☎ 020 7404 6609 Email: whistle@pcaw.org.uk Website: http://www.pcaw.org.uk/
Lancashire Constabulary	<input type="checkbox"/> Lancashire Constabulary Headquarters PO Box 77 Hutton Preston PR4 5SB ☎ 101 Website: https://www.lancashire.police.uk/
Action Fraud	☎: 0300 123 2040 Website: https://www.actionfraud.police.uk/
HM Customs and Excise	<input type="checkbox"/> HMRC Fraud Hotline Cardiff CF14 5ZN ☎: 0800 788 887 Website: https://www.gov.uk/government/organisations/hm-revenue-customs/contact/customs-excise-and-vat-fraud-reporting

The Information Commissioner	<input type="checkbox"/> The Office of the Information Commissioner Wycliffe House Water Lane Wilmslow Cheshire SK9 5AF ☎ 0303 123 1113 Website: https://ico.org.uk/
The Environment Agency	<input type="checkbox"/> National Customer Contact Centre PO Box 544 Rotherham S60 1BY ☎ 03708 506 506 Email: enquiries@environment-agency.gov.uk Website: https://www.gov.uk/government/organisations/environment-agency
Health and Safety Executive	<input type="checkbox"/> Health & Safety Executive Redgrave Court Merton Road Bootle Merseyside L20 7HS ☎ 0300 003 1747 Website: http://www.hse.gov.uk/contact/index.htm

10.2 If you do take the matter outside the School/council, you should ensure that you do not disclose confidential information that falls outside the scope of the complaint. You should check with the relevant contact point about that.

12. School Charity Fund Governing Document



Morecambe Road School School Charity Fund Governing Document

1. Introduction

This School Fund Governing Document has been introduced to formalise the way in which the school's charity account is controlled and managed. School funds are funds set up for pupils' past, present and future and are administered and managed by employees and management of the School, who have a fiduciary duty to these pupils.

2. The Governing Body

The School Governing Body and Trustees are responsible for the control and management of the Morecambe Road School Charity Fund and delegate the day to day administration to the School Fund Administrator. Trustees are appointed automatically to the post of the Headteacher and School Business Manager.

3. Personal Interest

Except in exceptional circumstances and with the prior written approval of all members of the Governing Body no member or trustee may:

- (a) receive any benefit in money or in kind from the school charity fund
- (b) have a financial interest in the supply of goods or services to the school charity fund

4. Name of the Fund

The school charity fund is named 'Morecambe Road School Fund Account'.

5. Objects of the School Fund

The objects of the school charity fund are to advance the education of the pupils at the School (Morecambe Road School) in particular but not exclusively by supplying goods and services for their benefit not required to be supplied by the Local Education LA.

The school fund will be used for:

- (a) advancement of the pupils' personal growth
- (b) improving the School's resources which includes equipment and premises
- (c) pupil prizes at the end of the academic year
- (d) subsidising trips and events for pupils from low income families so that they may participate in both inside and out of school activities
- (e) trophies and medal in recognition of pupil success and achievement
- (f) supporting the running and maintenance of the school minibus

The school fund will not be used for:

- (g) staff benefits
- (h) payments to school employees
- (i) trading activities (from August 2010).

6. Grant/Bid Applications and Funding

With regard to the majority of grant/bid applications, these will be applied for using the School Charity Account details rather than the School Budget Account. This is because grant/bid criteria often set out objectives in line with the School Charity rather than that of curriculum delivery.

Therefore, for high cost premise projects there could be a need to ring fence and reserve funding in the Charity Account, especially if money is to be raised from a range of sources. This should be considered and analysed when reviewing the School Charity balances.

7. Powers of the Governing Body

In addition to any other powers, which the Governing Body and Trustees may have, they may exercise the following powers in furtherance of their list of objects:

- (a) power to raise funds and to invite and receive contributions, provided that in raising funds the Governing Body and Trustees should not undertake any substantial permanent trading activities
- (b) power to incur expenditure in accordance with the objects of the school fund

8. Accounts

The Governing Body and Trustees will comply with all relevant statutory and locally agreed accounting requirements, relevant to the income/expenditure level of their school charity fund, with regard to:

- (a) provision of an audit trail for each transaction incorporating receipts, vouchers and invoices
- (b) safekeeping of all assets of the school fund
- (c) keeping of accounting records of the school fund and daily administration by the School Business Manager including receipts regarding cash income
- (d) preparation of annual statements of account for the school fund by the School Business Manager
- (e) independent examination, of the statements of account of the school fund, carried out by auditors agreed by the Finance Committee
- (f) preparation of an annual report for submission to the Charity Commission and making accounts available to parents and interested parties
- (g) the accounts will be operated with the same level of ethics, roles and responsibilities as laid down in the school finance manual for the school budget
- (h) records are to be retained for a minimum of 6 years

9. Bank Account

Any bank account in which assets of the school fund are deposited will be operated by the School under guidance of the Governing Body and Trustees and will be held in the name of the school fund.

All cheques and orders for the payment of money from such account should be signed by at least two persons against relevant documents supporting for the payment. There should be at least three authorised signatories, including the Headteacher.

Cheque books will be kept in the office safe and a stock record of cheques held will be maintained. The record will be verified monthly. Cheques will never be presigned. Spoilt cheques will be crossed through and retained for audit purposes.

10. Amendment:

The Governing Document should only be amended when approved and passed by all members of the Governing Body and Trustees.

11. Policies

The management, operation and administration of the Charity Account will be carried out in accordance with the financial policies laid down in the School Finance Manual. These include Whistleblowing, Fraud Protection and Statement of Internal Control. In addition to the Manual, Trustees, Governors and Staff will comply to school policies such as the Code of Conduct, Employee Ethical Standards, Data Protection and Declaration of Pecuniary Interests.

12. Dissolution

If the Governing Body and Trustees decide that it is necessary or advisable to dissolve the school charity fund, they will call a meeting of all the members. If the proposal is confirmed, they will have power to realise any assets held by or on behalf of the school fund. Any assets remaining after the satisfaction of any proper debts and liabilities should be given or transferred to such other school fund or institution having objects similar to the objects of this school fund, as the members of the Governing Body determine. If this cannot be done, it shall be applied for some other purpose approved by the LA.

13. Approval of the Governing Document

The Governing Document will be formally approved by all the members of the Governing Body on an annual basis as part of the School Finance Manual. The approval will be recorded in the formal minutes of the Governing Body.

13. Lloyds Charge Card Policy



MORECAMBE ROAD SCHOOL - CHARGE CARD POLICY

1. Charge Card Security

The Headteacher shall be responsible for an application for the charge card and which will be in the name of the school. The charge cards will be issued to named staff only.

Any member of staff required to remove a charge card from the school premises must sign for and return the card as soon as practicable after use. A charge card control register as per Appendix A is to be maintained as a record of use.

The School Business Manager is to be informed immediately if a charge card is lost or stolen so that Lloyds Bank can be notified. All obsolete and outdated cards must be destroyed in a secure manner and only by the School Business Manager.

2. Use of Charge Card

Use of the charge card will be limited to circumstances:

- Where no other method of purchasing goods or services is available (it is the budget holder's responsibility to always check with suppliers with regard to invoicing school for purchases);
- Where discounts can be obtained by ordering/paying for services on line.
- for pupil learning eg life skill events (Amounts can be put onto the cards and spending limits applied.)
- for the school minibus petrol and to ensure value for money regarding petrol prices

Any member of staff wishing to use the Charge Card must complete the Request form at Appendix B. The charge card may not be taken on school trips without prior permission from the Headteacher.

The expenditure to be processed by Charge Card must be initially authorised against the School Budget by raising an internal school order form against the appropriate Budget Cost Centre. PLEASE NOTE THIS SHOULD BE DONE PRIOR TO A TRANSACTION TO RECORD APPROVAL OF EXPENDITURE NOT AFTER PURCHASE.

When purchasing items via the Internet strict controls will apply. (See Appendix C) All transactions are to be carried out on school computer systems only. The charge card must not be used for obtaining cash or in any circumstances for personal use. A hard copy of the receipt is to be printed from the internet site and attached to the authorised internal school order form for reconciliation purposes.

3. Payment relating to the charge cards

The School Business Manager will be responsible for the reconciliation of the charge card statements against receipts. The School Business Manager will ensure all refunds for returned goods are re-credited to the card account and the item is cancelled on the school order.

All receipts/invoices must be attached to the statements to provide a clear audit trail. VAT receipts must be requested, where appropriate to ensure compliance with VAT regulations.

The payment of the card monthly balance is set up as a Direct Debit from the Bank Account. At Bank Reconciliation the School Business Manager will check all transaction details, debit the transactions against the relevant cost centre and cancel relating orders accordingly.

MORECAMBE ROAD SCHOOL
CHARGE CARD CONTROL SHEET

Name	Date Removed	Signature of Person Using Charge Card	Reason for use	Date Returned	Signature of receiving Admin Staff

MORECAMBE ROAD SCHOOL
CHARGE CARD REQUEST FORM

Staff Name:

Reason for the request:

I have read and agree to the terms of the Morecambe Road School Charge Card Policy

Signature:

Date:

Approval Signature – School Business Manager:

Date:

Controls for use of Charge Card for Internet Purchases

GUIDANCE – Controls for use of Charge Card for Internet Purchases

1. **Take care of card details online and check for a secure connection before you enter your card details**
Secure sites will start with https, not http. Secure sites have an added encrypted transaction layer, only secure sites must be used.
2. **Get to know a company before you buy**
If you are not familiar with a supplier, contact them first and ask for some background information before you buy. Check if the company's registered details are displayed on the home page or if there is some form of accreditation, which can be verified. If unsure, do not buy from them.
3. **Keep passwords secret**
If you register with a particular site you will be asked to enter a username and password. Keep passwords completely secret – as you would with cash machine PIN numbers.
4. **Read delivery and returns policy before buying**
Read the delivery and returns policy on the home page before completing online transactions. Check you can return any unsatisfactory items and if you can get a refund. Websites should ideally cover delivery methods, delivery costs, currency applied, taxes applied, returns and refund policy and a contact telephone number or email address.
5. Save a record of your transaction and ensure you receive a receipt.
6. The individual ordering the goods should make it clear that they are being ordered on behalf of the school.
7. Where third party payment agents are used, VAT receipts or invoices may not be available. Ensure that a valid invoice/receipt is obtained direct from the supplier.

Do not save the card details for future transactions or associated accounts applying to the transaction.

VAT Receipts

Where third party payment agents are used (eg PayPal) VAT receipts or invoices may not be available. Staff are to ensure that a valid invoice/receipt is obtained direct from the supplier with VAT details and VAT registration number.

14. Statement of Internal Control

**Morecambe Road School
Statement of Internal Control**

- 1 This statement relates to the internal controls for Morecambe Road School for the 12 months from 01/04/2023 to 31/03/2024. The governing body is responsible for ensuring that the school:
- keeps proper accounting records during the year which will disclose, with reasonable accuracy and at any time, the financial position of the school, have been drawn up in accordance with the DofE (CFR) guidelines, and will enable it to prepare an annual income and expenditure statement that complies with DofE guidelines
 - maintains and operates an effective system of internal control to safeguard all the resources delegated, granted or otherwise entrusted to the school and ensure they are used cost effectively
- 2 The system of internal control through the school finance manual has been developed and is coordinated by the Headteacher. It aims to provide as much assurance as is reasonably possible (not absolute assurance) that assets are safeguarded, transactions are properly authorised and recorded and that material errors or irregularities are either prevented or can be detected promptly
- 3 Our review of the effectiveness of the systems of internal control is informed by:
- our regular scrutiny of financial and other performance monitoring data
 - regular reports from the head teacher and other managers to the governing body
 - the most recent report of the school's internal auditor dated November 2013
 - our most recent self-evaluation of the internal controls undertaken 16/08/2024.
- 4 We are, therefore, satisfied that the internal control systems in operation at the school during the year were adequate and effective

By order of the Governing Body of Morecambe Road School

(Signed)___Anna Dootson_____Dated ___06.11.24_____

(Head Teacher)

(Signed)___ Sarah Mainwaring __Dated ___06.11.24_____

(Chair of Governing Body)

(Signed)___ Lisa Crankshaw_____Dated ___06.11.24_____

(Chair of Finance Committee of the Governing Body)

Statement of Internal Control - Pre-Certification Checklist for Governors

The Statement of Internal Control (SIC) is designed to accompany the DofE Consistent Financial Reporting (CFR) Return and Financial Summary, and so relates to the same completed financial year. In addition to this statement the School Business Manager carries out annually on behalf of the Governing Body a SFVS Potential Risks/Key Controls Checklist. A copy of this list is distributed to Governors as part of the annual update to the school finance manual.

The issues for Governors and the Head Teacher to consider before authorising their representatives to sign the SIC fall into two categories: -

- Specific actions and more general control processes that should have occurred during the financial year in question; and*
- Specific actions needed after the year end when the CFR Return is available.*

The questions are split into these two categories for ease of consideration. That consideration is probably best achieved as a group, perhaps at the finance committee meeting that approves the CFR Return, and needs to be formally recorded. The questions are structured so that: -

- A “yes” answer to every question would allow the SIC to be signed without any amendment; and*
- A “no” answer to any question will require either further action or explanation in the SIC.*

Controls that should have operated during the financial year		
Question	Agreed Yes or No	Implication of the Answer
<i>Did we set the school budget in line with the priorities detailed in the school development plan either before the beginning of the financial year (1st April) or as soon as possible thereafter?</i>	YES	<i>If yes, no action. If no, paragraph 4 should disclose this weakness. Paragraph 5 should explain the steps being taken to ensure next year’s budget is set on time and reflects the school’s priorities.</i>
<i>Did we see regular reports on the school’s financial position during the year, did the Head Teacher and School Business Manager answer all the questions raised with them and were we satisfied that materially accurate records have been maintained throughout the year? (Regular in this context would refer to termly reports as a minimum.)</i>	YES	<i>If yes, no action. If no, paragraph 4 should disclose the inadequate base financial records as a weakness. Paragraph 5 should explain the steps being taken to rectify the position.</i>
<i>Did we take appropriate action on all significant matters raised in reports from the internal auditor?</i>	YES	<i>If yes, no action. If no, ensure this decision is justified.</i>

<p><i>Did we review a risk assessment and take appropriate steps to manage the risks identified including the introduction of internal controls and/or external insurance cover where required?</i></p>	<p>YES</p>	<p><i>If yes, no action. If no, the need to conduct a comprehensive risk assessment should be noted in paragraph 4. Paragraph 5 should explain the steps being taken.</i></p>
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Control activities required after the end of the financial year

<p><i>Has the Head Teacher confirmed that he/she has seen a reconciliation of the school's base financial records with the latest CFR Return (either prepared from the school's own system or by the LA) and Financial Summary that shows they are:</i></p> <ul style="list-style-type: none"> • <i>a complete record of the School's transactions for the year and that the two documents are consistent with each other?</i> • <i>based on financial records that have met the requirements of the DofE's Consistent Financial Reporting (CFR) framework?</i> 	<p>YES</p>	<p><i>If yes, no action.</i></p> <p><i>If no, to the first question, make arrangements for the Head Teacher to complete/review the reconciliation before the SIC is signed and published.</i></p> <p><i>If no to the second question, the non-compliance should be noted at paragraph 4 as a weakness. Paragraph 5 should explain the steps being taken to rectify the position.</i></p>
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<p><i>Have we received a report from the internal auditor giving us assurance that the systems of internal financial control operated satisfactorily during the year?</i></p> <p>OR</p> <p><i>Have we undertaken a thorough self-evaluation of the internal control systems in operation during the year and did not find any weaknesses that needed to be addressed as a high priority?</i></p>	<p>YES - SF Checks</p>	<p><i>If yes to either question, no action. If no to both questions, either:</i></p> <ul style="list-style-type: none"> • <i>delay signing the statement until you have received the report or undertaken the self-evaluation</i> <p>OR</p> <ul style="list-style-type: none"> • <i>if the report or the self-evaluation has identified weaknesses that need to be addressed as a high priority, list them at paragraph 4 and briefly explain in paragraph 5, the action planned to rectify them.</i>
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<p><i>Are we confident that there are no significant litigation, liabilities or commitments that have arisen after the year-end, and are not referred to or accounted for in the published financial summaries?</i></p>	<p>YES</p>	<p><i>If yes, no action. If no, consider if the accounts need adjusting in order to be complete, or whether a Contingent Liability or Gain disclosure note should be added and the LA Finance Department informed.</i></p>
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<p><i>Have we been advised that there has been no actual or potential non-compliance with laws, regulations and codes of practice that could reduce the school's ability to meet its objectives or cause the school to incur a financial loss, and is this supported by our own knowledge of the school and its activities?</i></p>	<p>YES</p>	<p><i>If yes, no action.</i></p> <p><i>If no, add the appropriate disclosure notes to the income and expenditure account before it is signed and published.</i></p>
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Notes:

- Given the s151 officer has ultimate responsibility for the internal control systems of the whole LA it will be necessary to report the details of any “No” answers to him or her or more realistically to a representative of the s151 Officer.
- The self-evaluation review may not necessarily have been undertaken by all of those signing the SIC, and performing compliance tests of the operational effectiveness of the controls goes beyond the role of Governors. What is important is for the review to inform whether reasonable assurances can be given.

15. Best Value and Benchmarking Policy

MORECAMBE ROAD SCHOOL
BEST VALUE POLICY – November 2024

1. INTRODUCTION

The policy of Best Value was introduced in the Local Government Act 1999 as a means of securing greater value for money from local government services. Schools as part of Fair Funding are expected to follow the principles of Best Value.

The Governing Body is committed to ensuring that the school's resources are used in the most efficient and effective manner to meet the objectives and priorities identified in the School Development Plan. This will lead to continuous improvement in the school's performance and secure the best possible outcomes for pupils by raising standards of achievement.

Best Value goes beyond the Value for Money principles of economy, efficiency and effectiveness. However, Value for Money lies at the core of Best Value.

2. PRINCIPLES OF BEST VALUE

The Governing Body applies the principle of Best Value (ie the 4 Cs) by:

- Challenge** - regularly reviewing the functions of the school, challenging how and why services are provided and setting targets and performance indicators for improvement
- Compare** - monitoring outcomes and comparing performance with similar schools
- Consult** - consulting appropriate stakeholders, especially pupils and parents, about the services which the school provides
- Compete** - securing competition to ensure that goods and services are purchased in the most economic, efficient and effective manner to meet the needs of the school

The 4Cs are a means of focusing existing practices more sharply, to streamline aspects of management and in this way the principles of Best Value can support and influence all Governing and management decisions by:

- Setting targets
- Planning for improvement
- Allocating resources to priorities
- Managing implementation
- Monitoring and evaluating the performance of the school and
- Managing the performance of the staff

3. APPLICATION OF BEST VALUE PRINCIPLES

The 4Cs are often applied in combination. Managing continuous improvement requires monitoring, evaluating and planning which will inevitably involve following all of the principles simultaneously or within a short timescale.

A Best Value statement is used to demonstrate the application of Best Value principles and can help schools achieve Best Value by:

- Giving direction to the school
- Helping the school link priorities to resource allocations
- Turning commitment into action and
- Making governors and schools more accountable

A Best Value statement (at Appendix 1) may refer to aspects of school management such as the systems used for performance management. It may include reference to key areas – care of pupils, staffing, the school environment, resources and financial management. A Best Value Statement will be presented to the Governing Body at the Autumn Term meeting as part of the School Finance Manual.

4. BENCHMARKING

Benchmarking is a technique for improving performance and promoting efficiency. The Governing Body regularly benchmark the school's current performance against past performance and compares Morecambe Road School with other schools. In this way the Governing Body can identify areas for development.

A Benchmarking Report is emailed to the Headteacher annually by the Department for Education. This will be circulated to the Finance Committee at the meeting following receipt.

Appendix 1

BEST VALUE STATEMENT – Academic Year 2023-24

Examples of current school practice which demonstrate that the principles of Best Value are applied in the management of the school			
CHALLENGE	COMPARE	CONSULT	COMPETE
<p>Staff and Parent Debts chased and successful</p> <p>Continued raising of awareness of efficiencies</p> <p>Use of external funding Channels eg Charity, LBT through SEND</p>	<p>Improved working methods and procedures</p> <p>Research and discussions with other schools on best value</p>	<p>Issue of spreadsheet re new FY allocations required by budget holders</p> <p>Regular meetings with Stakeholders</p>	<p>Introduction of HLTA to manage residentials and minibuses</p> <p>Sustaining Phoenix Groups at LMC</p> <p>Extended Services to include Breakfast Club</p>
Planned Developments in school policies and practice to enhance application of Best Value			
CHALLENGE	COMPARE	CONSULT	COMPETE
<p>Rolling programme of Upgrades to IT Equipment</p> <p>Challenges on costs and services to a variety of suppliers</p>	<p>Special schools and local school meetings to consider working in partnership and collaboration</p> <p>Good Practice sharing with National Network of Special Schools</p>	<p>Local Networks used to find good practice</p> <p>Succession planning and staff restructures</p> <p>Retirement of school property consultant</p>	<p>Early Years Extension</p> <p>Working with LA to meet local SEND needs</p>

16. School Financial Value Statement

School's Financial Value Statement (SFVS)

All LA maintained schools that have a delegated budget must demonstrate compliance with the SFVS on an annual basis. At Morecambe Road School the SFVS will be completed in the Autumn Term with the financial risk assessments (Potential Risks and Key Control Checklist completed and held by the School Business Manager).

The demonstration of compliance is through the SFVS assessment signed by the Chair of Governors. An e form is then completed by the School Business Manager. The form will include a summary of remedial actions with a clear timetable, ensuring that each action has a specified deadline and an agreed owner. Governors must monitor the progress of these actions to ensure that all actions are cleared within specified deadlines.

Confirmation of SFVS completion is submitted to the LA by school annually.

The SFVS toolkit can be accessed via the Department for Education website. The toolkit covers six areas of resource management – Governance, School Strategy, Setting the Annual Budget, Staffing, Value for Money and SFVS Dashboard Results.

The aim of the SFVS and toolkit is to provide assurance that school resources are being managed effectively. The toolkit assessment includes optional raw data (e.g., FTE teaching staff) and RAG ratings for school.

17. Approved Mileages for Staff Travel Claims

TRAVEL EXPENSES - MILEAGE CLAIMS (November 2024)

Detailed below are the Governor approved mileages for Morecambe Road School staff when submitting travel expense claims regarding training and meetings. Please note that there are two types of mileage rates, one for the attendance at training and one for other business.

These mileages are for return journeys from and to Morecambe Road School and drawn from the RAC Auto route website.

County Hall, Preston, PR1 8XJ	-	55 miles
White Cross Education Centre, Lancaster, LA1 3SF	-	5 miles
Woodlands Conference Centre, Chorley , PR7 1QR	-	73 miles
One Connect, The Westfield Centre, PR25 1RP	-	69 miles
Crofters Inn, Lancaster, PR3 1PH	-	31 miles
Lancaster House Hotel, LA1 4GF	-	11 miles
Hillside School, Longridge, PR3 3XB	-	62 miles
Bleasdale School, Silverdale, LA5 0RG	-	29 miles
The Loyne School, Lancaster, LA1 2PZ	-	3 miles
Pear Tree School, Kirkham, PR4 2HA	-	65 miles
Red Marsh School, Thornton-Cleveleys, FY5 4HH	-	65 miles
Sir Tom Finney School, Preston, PR1 6AA	-	52 miles
Alston Hall, Longridge, PR3 3BP	-	60 miles
Borwick Hall, Carnforth, LA6 1JU	-	19 miles
Tower Wood Centre, Windermere, LA23 3PL	-	67 miles
Hothersall Lodge, Longridge, PR3 2XB	-	64 miles

The Governing Body approve the use of Business Rate for all training and business travel for both Teaching and Support Staff. The payroll company has been informed of this decision.

18. Mobile Phone Agreement

Morecambe Road School

Business Mobile Phone User Agreement

This agreement is between:

Morecambe Road School and _____

The following are the conditions under which you, the staff member, will accept the provision of a mobile phone from Morecambe Road School.

The school retains sole right of possession of the mobile phone and related equipment, and may transfer the mobile phone to another staff member if you do not, or are unable to, for any reason, fulfil the requirements of this agreement.

Under this agreement the school will:

1. Provide a mobile phone for your sole use while you are a permanent full-time or part-time staff member at the school.
2. The mobile phone contract will cover reasonable business use of the mobile phone in sending text messages, using the work's email for business purposes and in an emergency downloading information via the internet. (For security reasons, staff must wherever possible use a work's computer using the WIFI network for both internet and email usage.)
3. Plan and manage the integration of the mobile phone into the school environment, and provide the professional development required to enable you to use the mobile phone effectively.
4. When required, expect you to pay an excess for accidental damage or loss, or repair / replacement costs where loss or damage is a result of your own negligence.
5. Make regular payment to the communication company for the use of the mobile phone for works purposes.

Under this agreement, you will:

1. Bring the mobile phone and charging unit to the school each day and keep the mobile phone with you or within your sight at all times.
2. Know that the mobile phone contract specifies the number of free minutes, texts and mobile data and it is the staff member's responsibility in ensuring that these limits are not breached. For shared phones the responsibility sits collectively. Most mobile phones have an easily accessible facility to monitor usage and it is recommended staff utilise this to monitor usage.
3. If you envisage exceeding the monthly allowance please contact the school business manager BEFORE this happens to allow them to contact the provider to minimise any excess credits. In an emergency situation 999 calls are free.
4. Not use the mobile phone/number to promote any external private business.
5. Not use the mobile phone to contact premium rate numbers.

** 6. Use the mobile phone only for the purposes of work. Business mobile phones issued either solely or for shared use must not be used for personal use unless in an emergency and / or where this is unavoidable / impractical e.g. forgotten personal mobile and needing to contact next of kin / school.

OR

- ** 7. Use the mobile phone mainly for the purposes of work.
- ** 8. Be able to use the mobile phone for personal use and will be responsible to make repayment of additional costs incurred by going over the monthly contract limits

** delete section 6 or 7 and 8 as applicable

9. Be responsible in setting both security and settings to ensure that the mobile phone does not connect to non-works apps and sites over the mobile network.
10. Not permit any other individual to use the mobile phone without your supervision unless agreed by the Governors
11. Take responsibility for any other individual using the mobile phone.
12. Provide suitable care for the mobile phone at all times and not do anything that would permanently alter it in any way.
13. Not use the mobile phone in ways which could damage the reputation of the school or your own career.
14. Only download apps and content from reputable sources.
15. Lock the mobile phone screen when not in use with a passcode.
16. Keep the mobile phone clean.
17. Immediately report any damage or loss of the mobile phone to Headteacher. Acting quickly enables a 'bar' to be set on the mobile number and will help mitigate any financial loss.
18. Immediately report any viruses or reduced functionality following a download to Headteacher.
19. Be prepared to cover the insurance excess, repair or replace the mobile phone when the damage or loss has been a result of your own negligence.
20. Attend any training sessions offered by the school.
21. Make arrangements for the return of the mobile phone and passcode to School Business Manager if your employment ends or if you will be away from the school for an extended period.
22. Use the mobile phone in a way which does not contravene the policies and procedures of Morecambe Road School including the ICT Policy, Data Protection Policy and Safeguarding Policy.
23. Keep the phone well credited ready for use when in school.

Insurance cover provides protection from the standard risks while the mobile phone is on the school site or in your home **but excludes** theft from your car or from other establishments. Should you leave the mobile phone unattended and it is stolen, you will be responsible for its replacement and may need to claim this from your own insurance company or pay from your own pocket.

Social Networking

Employees should not access social networking sites via their mobile phones (business or personal phones) during working hours.

Call Reporting Information

The school retains the right to obtain detailed records of individual mobile phone usage from the contract provider.

Spam Calls

It is impossible to stop mobile 'spamming' completely, however, an employee may register their mobile phone with the 'Telephone Preference Service' at www.tpsonline.org.uk free of credit.

Compliance

Failure to agree to or to abide by these terms will lead to the mobile phone being returned to the school and serious breaches may lead to disciplinary action.

The school also retains the right to report any illegal use/violations to the appropriate authorities.

Morecambe Road School

Mobile Phone User Agreement

I, _____ agree to follow the terms laid out in the Mobile Phone user agreement.

Signed:

Name:	Date:
Job Role:	
Mobile Phone Model:	Serial Number:
Mobile Number:	

Section B

FINANCIAL PROCEDURES

		Date Approved	Renewal Date
1	Financial Management Systems	06/11/24	Autumn 2025
2	Income	06/11/24	Autumn 2025
3	Payroll	06/11/24	Autumn 2025
4	Purchasing Arrangements	06/11/24	Autumn 2025
5	Taxation	06/11/24	Autumn 2025
6	Unofficial School Funds	06/11/24	Autumn 2025
7	School Assets - Inventory	06/11/24	Autumn 2025
8	Best Value and Benchmarking	06/11/24	Autumn 2025
9	Local Bank Account	06/11/24	Autumn 2025
10	LA Documents and Guidance	06/11/24	Autumn 2025
11	Retention of Financial Records	06/11/24	Autumn 2025

FINANCIAL MANAGEMENT SYSTEMS

Procedure	Responsibility
Ensuring that the school's spending priorities are reflected in the school's budget options to be presented to the Governing Body for approval.	Headteacher/School Business Manager
Accurate costing of budget options to include spending priorities and the effect of pay and price increases.	Headteacher/School Business Manager
Recording and fixing of approved school budget on FMS to provide audit trail.	School Business Manager
Submission of budget return to the LA within specified timescale.	Headteacher/School Business Manager
Establishment of appropriate cost centres on FMS to enable effective budget monitoring.	School Business Manager
Production of monitoring information to budget holders on a regular basis.	School Business Manager
Preparation of budget monitoring reports for Finance Committee/Governing Body on a termly basis.	School Business Manager/School Finance Officer
Recording of all budget virements on FMS and submission of virements for approval of Governing Body/Finance Committee in accordance with internal financial regulations.	School Business Manager
Maintaining up-to-date records on FMS of total resources available to school ensuring that it is consistent with LA notifications (budget share, Standards Funds, contingency etc).	School Business Manager
Termly Financial Healthcheck of Finance 6 records and reconciliations	School Business Manager/ School Finance Officer
Entering all expenditure and income onto FMS promptly to enable day to day monitoring of expenditure.	School Business Manager/School Business Support Officer
Reconciliation of all expenditure and income on FMS to the bank statement on a monthly basis and the investigation of any discrepancies.	School Business Manager
Monthly check of Central Oracle to ensure correct processing of income and expenditure by the LA.	School Business Manager

Reconciliation of HR Payroll to the People and Pay data on a monthly basis and the investigation of any errors.	School Business Manager
Ensuring that 'acceptable use policies' are in place.	Headteacher/School Business Manager
Management of user IDs and regular updating of passwords for all Finance system users.	School Business Manager/Users
Appropriate back-up of ICT systems including off-site copies.	Tech Hub
Preparation of Financial Documents for approval by Governing Body and submission to the LA.	School Business Manager
Maintenance of register of business interest ensuring that it is regularly reviewed and updated.	School Business Support Officer
Review of level of balances and assigned reserves and reporting to Governing Body.	Headteacher/ School Business Manager
Comparison of financial information via DofE benchmarking tools and report to Governing Body on conclusions and any recommended action.	School Business Manager /Headteacher

SCHOOL INCOME

Procedure	Responsibility
<ul style="list-style-type: none"> Determine and review charging policy on an annual basis for submission to FGB 	School Business Manager
<ul style="list-style-type: none"> Record income in FMS Finance promptly on receipt. 	School Business Manager / School Business Support Officer
<ul style="list-style-type: none"> Raise bills and issue reminders in accordance with school's debt management policy. 	School Business Manager / School Business Support Officer
<ul style="list-style-type: none"> Issue official, pre-numbered receipts for income collected. 	School Business Support Officer
<ul style="list-style-type: none"> Securely hold income prior to banking. 	School Business Support Officer
<ul style="list-style-type: none"> Bank all income promptly - when banking cash the money is to be checked and the amount initialled by 2 individual School Business Support Officers. 	School Business Support Officer x 2
<ul style="list-style-type: none"> Complete bank paying-in slips including identification of split between cash/cheques and identification of cheque payees. Copy paying in slips must be retained in the book. 	School Business Support Officer
<ul style="list-style-type: none"> Cash income - all cash received by school is to be receipted either to the original person (eg parent) or if fundraising money to the person responsible for the event. 	School Business Support Officer
<ul style="list-style-type: none"> Determine and review debt recovery policy for submission to Governing Body/Finance Committee for approval. 	School Business Manager
<ul style="list-style-type: none"> Determine and review lettings policy for submission to Governing Body/Finance Committee for approval. 	School Business Manager
<ul style="list-style-type: none"> Undertake administration of lettings including receipt of letting application forms and indemnity agreements together with copies of public liability insurance where appropriate. 	School Business Manager
<ul style="list-style-type: none"> No cheques should be endorsed to a third party to meet expenditure. 	School Business Manager / School Business Support Officer
<ul style="list-style-type: none"> Income intended for the Unofficial School Fund must not be banked in the school bank account. 	School Business Support Officer
<ul style="list-style-type: none"> Contributions from all School Funds must be receipted and identified on the record of income, stating the purpose to be used. 	School Business Manager / School Business Support Officer

PAYROLL

Procedure	Responsibility
Review of school pay policy for approval of Governing Body on an annual basis.	School Business Manager/Headteacher
Authorisation of appointments and terminations.	School Business Manager/Headteacher
Authorisation of changes in rates of pay and contracts.	School Business Manager /Headteacher
Authorisation of timesheets and overtime claims.	Line Manager/School Business Manager
Maintenance of all payroll, personnel and associated records including control over access.	People and Pay Services/School Business Manager
Checking of payroll transactions on the accounting system to ensure that all staff are creditable to the school and are being paid at the correct rate.	School Business Manager/ People and Pay Services/Douglas Grange Accountants
Payment of all salaries by due date.	School Business Manager/ People and Pay Services/Douglas Grange Accountants
Action all appropriate deductions from salary including income tax, national insurance contributions, superannuation contributions, union subscription and other agreed payments.	People and Pay Services/Douglas Grange Accountants
Review of staffing structure for presentation to Governing Body.	Headteacher/SMT

PURCHASING ARRANGEMENTS

Procedure	Responsibility
Ensuring that all purchases comply with the school finance manual; in particular, seeking written quotes and tenders where appropriate and retaining these as evidence for audit purposes.	Headteacher/ School Business Manager / Budget Holders
Seeking prior approval of Governing Body where expenditure is above the limit specified in the internal financial regulations.	Headteacher/School Business Manager
All payments by school will be made via BACS and therefore there is a need for staff and suppliers to provide Bank Account details.	School Business Support Officer
Raising of internal school order forms at Appendix 1.	Budget holders
Authorisation of internal school order forms, check of budget allocation and budget codes	Budget holders/School Business Manager
Raise order on Finance 6 for the estimated cost of in accordance with the internal school order form	School Business Support Officer
Authorisation of orders on Finance 6	Headteacher
Email orders to suppliers	School Business Support Officer
Checking goods and services received are in accordance with order.	Budget holders
Check of invoice against copy order and delivery note (if available) Cross reference to the order number.	School Business Support Officer
Authorisation of invoices for payment on Finance 6	School Business Manager
BACS Payments process and authorisation	School Business Manager/Headteacher/
Enter credit notes to ensure deduction from subsequent payments.	School Business Support Officer

Guidance Documents:

School Internal Order Form

Appendix 1

Morecambe Road School

INTERNAL ORDER FORM - to be raised prior to purchase or order commitment

Supplier	Tel No
Address	Email address for orders:

ITEM DESCRIPTION	PAGE NO.	CAT. REF. NO.	HOW MANY	UNIT COST	TOTAL COST
VAT @ _____ %					£
Postage and packing					£
				TOTAL COST	£

BUDGET:	BUDGET HOLDER SIGNATURE:	DATED:
PLEASE CONFIRM BY TICKING IN THE BOX THAT BEST VALUE HAS BEEN ACHIEVED IN CHOOSING THIS SUPPLIER - Supporting paperwork e.g. notes and quotes pass to the School Business Manager for the Best Value File		

APPROVED BY SBM FOR ORDER TO BE RAISED ON FINANCE 6	LEDGER CODE	DATE PASSED TO SBSO:

SPEND WISELY – PRIORITISE IN KEEPING WITH THE SCHOOL DEVELOPMENT PLAN

Budget holders responsible for ordering resources and equipment are requested to note the following guidelines, implementing good practice.

Good Practice:

- **Comply with the school's finance manual**
- **Be responsible for any budget delegated to them**

Good Practice: Purchasing Resources: -

Internal Orders should be specific to speed efficiency and to avoid any misunderstanding.

- **Complete an internal order form, ensuring the full name, address, postcode, telephone and order email for the supplier**
- **Budget / Budget holder**
- **The product code / part number, details, quantity and price**

Avoid: -

- **Telephone orders (must be confirmed by completing an Internal Order)**
- **E-purchasing using own credit or debit cards**

Inspection Copies: -

- **Budget holders will be responsible for goods sent on approval**
- **Budget holders will be responsible for responding to the supplier by the specified expiry date**

Good Practice: Declaration of personal business interests

- **Conflict of interest, e.g. links with suppliers when purchasing goods or services**
- **Any offer or receipt of gifts or hospitality shall be reported to the Governing Body and recorded in the Minutes of the Meeting**

Good Practice: Value for Money

- **Economy, Efficiency & Effectiveness**
- **Quality, reliability, availability and after-sales service should be considered**
- **Use approved major and regular suppliers who have a proven capacity to provide quality, quantity and timely delivery at a competitive price**

Good Practice: Stock Book

- **Every asset purchased costing £50 per item or more, disposed of or becomes obsolete has to be recorded in the stock book.**
- **Please complete a Stock Item / Stock Disposal form – copies in each room's Stock Book**

Internal financial regulations

- **The Headteacher shall establish suitable arrangements for the control and monitoring of expenditure against budget headings**
- **The Governors receive from the Headteacher a report on school expenditure compared with budget. Reasons for any significant variances between actual and estimated expenditure to date shall be identified. In addition, the Headteacher shall inform the governors immediately if significant overspendings or underspendings which cannot be covered by delegated powers of virement are likely to occur on any budget heading. (*Finance Manual*)**

TAXATION

Procedure	Responsibility
Ensuring that only legitimate VAT invoices (showing VAT registration number) are paid for vatable goods and services.	School Business Manager
Raising of VAT invoices for all vatable income to school.	School Business Manager
Correctly coding all VAT on income and expenditure.	School Business Manager
HM Revenue and Customs may visit schools at intervals to inspect all VAT supporting documents regarding transactions	School Business Manager
School is to pay invoices inclusive of any VAT credited.	School Business Manager
The VAT return for school will be prepared by the County Treasurer from the information supplied by school through the trial balance by ledger code. Direct claims are not allowed as the school's official activities are part of LCC's VAT registration. Reimbursement will be coded by school into the income ledger code 83604 (VAT reimbursement journal).	School Business Manager

UNOFFICIAL SCHOOL FUNDS

Procedure	Responsibility
Appointment of treasurer and auditor	Finance Committee/Headteacher
Administration of accounts including:	
<ul style="list-style-type: none"> • maintenance of cash book and supporting documentation eg receipts, records of income collected; 	School Business Support Officer
<ul style="list-style-type: none"> • banking of income and second check of cash banking 	School Business Support Officer x 2
<ul style="list-style-type: none"> • reconciliation to bank account on a monthly basis; 	School Business Manager
<ul style="list-style-type: none"> • VAT registration if above VAT registration limits. 	N/A
<ul style="list-style-type: none"> • Signing of cheques (authorised signatories) 	Headteacher/Deputy Headteacher/ Assistant Headteacher/ School Business Manager
<ul style="list-style-type: none"> • Ensuring that final accounts are prepared, audited, presented to the Governing Body for approval and submitted to LA. 	School Business Manager
<ul style="list-style-type: none"> • Claiming VAT on unofficial fund purchases may be done by purchasing from the school budget following the full purchasing arrangements. Re-imburement of the cost minus VAT can then be paid from the unofficial fund into the school budget relevant cost centre. 	School Business Manager

Useful Information

List of unofficial funds	<u>Morecambe Road School Fund Charity</u> <u>Morecambe Road Trading Account</u>
Treasurer	<u>School Business Manager</u>
Auditor	<u>Nominated by Finance Governors</u>
Bank account	<u>Lloyds Bank</u>

SCHOOL ASSETS

Procedure	Responsibility
<ul style="list-style-type: none"> Maintain a permanent stock record for all portable and desirable items using FMS Equipment Register. This includes items purchased by school and items held by school which is provided by different organisations. 	School Business Support Officer
<ul style="list-style-type: none"> Ensure that the stock record is updated regularly for all new items/disposals including clear identification of make, model and serial numbers (if appropriate). 	School Business Support Officer / Stockholders
<ul style="list-style-type: none"> Security mark all appropriate items. 	School Business Support Officer
<ul style="list-style-type: none"> Undertake a regular physical stock check (at least annually) of items included in inventory and record that a check has been carried out. 	School Business Support Officer
<ul style="list-style-type: none"> Report any significant discrepancies between actual and recorded stock to governors. 	School Business Support Officer/School Business Manager
<ul style="list-style-type: none"> Establish / review policy for the disposal of assets including the authority to declare items to be obsolete, surplus or damaged beyond repair. 	School Business Manager
<ul style="list-style-type: none"> Record loan of all school equipment, regardless of whether the item is recorded on the asset register, to staff and pupils. 	Individual requiring loan/ Site Supervisor
<ul style="list-style-type: none"> Record and bank any income from sale of assets into School budget. 	School Business Support Officer

BEST VALUE AND BENCHMARKING

Procedure	Responsibility
• Ensure purchases follow the Best Value principles as noted in the School Finance Manual	Budget Holders
• Provide details of quotes and cost comparisons to the School Business Manager	Budget Holders
• Report Best Value practice to the Governors	School Business Manager
• Create report of benchmarking outcomes to the Governors	School Business Manager
• Review policy for best value and benchmarking.	School Business Manager

LOCAL BANK ACCOUNT

Procedure	Responsibility
<ul style="list-style-type: none"> The School Bank Account is held with Lloyds. Funds are invested directly into this account and no investment will be arranged via any intermediary. 	School Business Manager
<ul style="list-style-type: none"> Authorisation to view online bank processes and accounts - views will be restricted according to school role. 	Headteacher, School Business Manager
<ul style="list-style-type: none"> All access codes are retained securely and not given to any other member of staff. Any breach of security, confirmed or unconfirmed, is to be reported to the Headteacher or School Business Manager immediately. 	Headteacher, School Business Manager
<ul style="list-style-type: none"> Approval of BACS payments - 2 X authorised approvers. 	Headteacher, School Business Manager
<ul style="list-style-type: none"> Direct Debits agreed for re-occurring invoices to EE, Eden Water, TV Licence, Energy Invoices, Water Utilities, Childcare Vouchers, and Phone Service Providers. Any changes will be approved by the Governors before set up. 	School Business Manager
<ul style="list-style-type: none"> Reconciliation of monthly bank statements - the statement will detail transactions up to and including the last working day of each month. Finance 6 will be reconciled to the statement each month. From the last day of each month and until reconciliation and closure of previous month has been complete there will be no transactions raised in Finance 6. School is then required to submit the Cash and Bank Reconciliation statement, Trial Balance by Ledger code, month end un-reconciled payments/receipts and Audit Journal file. These actions are to be completed by latest 10th of each month. 	School Business Manager
<ul style="list-style-type: none"> Any credits relating to the operation of the bank account will be met from the school's own delegated budget. 	School Business Manager/Headteacher
<ul style="list-style-type: none"> School will receive a monthly oracle report from the LA of the transactions notified by school through the monthly returns. Discrepancies will be investigated promptly. 	School Business Manager

<ul style="list-style-type: none"> LA procedures for the annual closure of accounts will be followed. 	School Business Manager
<ul style="list-style-type: none"> School receive budget payments into the bank account and enter in Finance 6 as 'CBJ'. All income and DDs appearing on the bank statement are treated as Cash Book Journals. 	School Business Manager
<ul style="list-style-type: none"> Income physically banked by the school eg school meals, is to be processed as Non-invoiced income. 	School Business Support Officer
<ul style="list-style-type: none"> Central credits e.g. training will be invoiced to school and processed as an invoice with payment by BACS to the LA. 	School Business Manager
<ul style="list-style-type: none"> Remittance advice slips must be retained for inspection by audit. 	School Business Manager
<ul style="list-style-type: none"> A misappropriated or incorrect BACS payment must be notified to the School Business Manager immediately who will contact the bank. In cases where irregularities are suspected the LA and Police will be informed. 	School Business Manager

Guidance Documents:

Monthly Reconciliation Form

Appendix 1

SCHOOL BANK ACCOUNT		
CASH AND BANK RECONCILIATION SHEET		
SCHOOL NO		
01/130		
SCHOOL NAME		DCSF NO
MORECAMBE ROAD SCHOOL		888/7034
Month Ended		
	Date	£
Bank Balance per statement dated		
Bank Balance per statement dated		
Bank Balance per statement dated		
TOTAL BANK ACCOUNTS		£0.00
Add: Actual Cash in Hand:		
		£0.00
Balance carried forward in Finance 6: (Use current value on ledger code 83218 from Trial Balance or CoA)		
Add: Unreconciled Payments in Finance 6:		
Less: Unreconciled Receipts in Finance 6:		
Add: Cash in hand per Finance 6: (83211 on Trial Balance by Ledger code)		
Period Closed Successfully		£0.00
Certified Correct		(A must equal B)*
Designation		
Date		
I confirm that Finance 6 ledger codes have been reconciled to Oracle and the previous Period has been closed correctly.		
Verified By		
*Comments if A does not equal B:		

LA DOCUMENTS/GUIDANCE NOTES

For further guidance and information go to the following websites:

Relevant websites

Lancashire Schools' Portal

Lancashire Schools Financial Services - via the A-Z on the School Portal

The approved Scheme for Financing Schools in Lancashire is available on the LCC website - <https://www.lancashire.gov.uk>

Section C

APPENDICES

School Balances and Clawback Guidance 2024/25

This guidance applies to school balances at 31 March 2025

Threshold Balances

The Authority's current maximum threshold balance is:

- 12% of Consistent Financial reporting (CFR) income for all phases of maintained school (*It is suggested that the 12% guideline figure is not seen as a target*).
- A £75,000 minimum balance threshold will be applied.
(*This was increased from £60,000 in 2022/23 to account for inflation since the last time that the minimum value was raised. This will provide smaller schools with a larger level of allowable balance as a protection against future costs pressures*).

Clawback of "excess balances"

The Authority's clawback arrangements are:

- A clawback rate of 50% is to be applied to any balance above the threshold in the first year a school exceeds the threshold (after adjusting for exemptions).
- A clawback rate of 100% is to be applied to any balance in excess of threshold where the threshold has been breached for two or more consecutive years (after adjusting for exemptions).

Exemptions from clawback

The Authority shall make the following deductions from the school's actual balance before applying clawback:

- Funds accumulated by schools where there is a contractual agreement, as part of a grant allocation or dual use agreement, for facilities to be replaced on a fixed basis (i.e. an all-weather pitch) will continue to be exempt from clawback. Conditions of this exclusion are:
 - The amount excluded cannot exceed the total cost of replacing the facility committed in the contract/agreement.
 - The exclusion will only be allowed for a period equivalent to the stated replacement timetable for the facility and will be subject to retrospective



- clawback if no replacement is funded or if the replacement is at a lower value than estimated.
- Schools will be required to submit relevant supporting documentation relating to the terms of the contract or grant, including evidence of replacement conditions, and also estimated costs.
 - Requests for exemptions should be considered by the Forum. Requests are to be submitted before 31st October to be considered in the Autumn Term by 31st December, for balances at 31st March.
 - Evidence for an exemption must be in line with the policy and submitted in full to schoolsforum@lancashire.gov.uk no later than two weeks before the scheduled Working Group for the Forum to consider the request. Forum dates can be found [here](#).
- Any funding received in advance that is funded on an academic year basis to schools by the DfE or other Government department will have 5/12 this exempt from clawback. Schools will be required to submit relevant supporting documentation relating to the government allocation, including appropriate evidence of distribution timescales.
 - Funding allocations that are notified to schools late in the financial year, where schools could not reasonably have considered the allocation in their financial planning for the year. Late allocations are defined as allocations notified to schools after 1st January each financial year. Allocations that are notified to schools before the 1st January of the financial year, but where the funding is received at a later date, would not qualify under this exemption.
 - Devolved Formula Capital (DFC) allocations are specifically excluded from the clawback calculation. Schools are asked to ensure that the relevant capital accounting codes are used for DFC income and expenditure, to guarantee that this funding is identifiable and able to be excluded from year end revenue balances and the clawback calculation.
 - Funding allocations received under S106 of the Town and Country Planning Act 1990. This is developer contributions towards the costs of providing community and social infrastructure, the need for which has arisen as a result of a new development taking place.
 - No further clawback exemptions will be allowed.

What is Consistent Financial Reporting (CFR) Income?

CFR Income is defined by the Department for Education in the consistent financial reporting (CFR) framework



<https://www.gov.uk/guidance/consistent-financial-reporting-framework-cfr>

You will have seen your CFR income on several documents, but you may not have known it by this description.

You will have seen it on:

- Your financial outturn statement - it is the total line labelled "Revenue Income". This will be the sum of lines I01 to I18D on the outturn statement:
 - This is the figure that will be used to calculate the guideline but as funding and income will change during the year this figure will not be known until the outturn statements have been produced following the end of the financial year.
 - It does not include "Capital Income" codes C101-C104
- On your submitted income and expenditure form – it is the total line labelled "Total Income Revenue". It does not include any balances brought forward.
 - This is not used to calculate the guideline, but it is your estimate of your CFR income and may be used as your estimate of the guideline. Please note if you revise your estimates of income in the year then you would need to revise your estimate of the guideline figure.

Reviewed July 2024



Devolved Formula Capital

Guidance Note for Community, Foundation and
Voluntary Controlled Schools

Last reviewed July 2024



Contents

Page 1	Capital Funding
Page 3	Appendix A – Accounting Guidance
Page 4	Appendix B - Capital Income & Expenditure FAQ's
Page 5	Appendix C – Examples of Capital/Revenue Expenditure

Capital Funding

Devolved Formula Capital (DFC) is direct funding for individual schools to maintain their buildings and fund small-scale capital projects. This includes major technology purchases.

DFC funding has to be used for capital expenditure (as defined by the CIPFA Code of Practice on Local Authority Accounting in Great Britain: A Statement of Recommended Practice).

The Local Authority (LA) receives DFC funding for maintained, non-voluntary aided schools and passports this on. The Department for Education (DfE) will fund directly to academy trusts and voluntary aided bodies.

DFC can be used for:

- structural improvements to buildings, also fixtures and fittings
- the purchase of capital equipment, including ICT
- total refurbishment, or improvement of classrooms, toilets and staff facilities (not decorating/replacing like for like)
- total replacement of roofs/windows/doors (not external decoration or repair)
- installation of new boilers to improve heating
- refurbishment and improvement to library facilities
- benching/cabling/security grills/air conditioning/lighting for ICT provision and ICT equipment (hardware)
- implementation of energy efficiency programmes which save money and the environment
- alterations to improve reception areas for parents/daytime security
- minor extensions to the building
- security fencing
- other long-term improvement to the school estate.

DFC cannot be used:

- general maintenance, redecoration, like for like replacement
- day to day and routine repairs and maintenance
- purchase of books, ICT software, or training materials/services
- operating leases in respect of equipment, or facilities. Finance leases are classed as borrowing, for which approval from the Secretary of State must be sought
- hire of temporary accommodation, unless it is part of a larger project which has a short-term requirement to re-house classes
- for expenditure on small value capital items where the amount falls below the LA's minimum capital spend threshold of £2,000. (Note, a number of items of the same class bought at the same time, e.g. computers, may be added together and, where the total value exceeds this threshold, count as capital.)

Everything above £2,000 should be considered on its merits to see whether it is capital or revenue by nature. However, it would generally be considered that net expenditure in nursery, primary or special schools greater than £10,000 and net expenditure greater than £15,000 in secondary schools could be regarded as capital.

Distinguishing between expenditure on existing assets that maintains the use or value of that asset and expenditure that improves use or value can be difficult and judgement will always be required. The following key words can be indicators of whether expenditure is more likely to be Capital or Revenue expenditure.

Key words indicating Capital expenditure	Key words indicating Revenue expenditure
Enhance Upgrade Extend Improve	Repair Maintain Replace Like-for-like Renew

Links to the governments school capital funding guidance and grant conditions are shown below: -

[School capital funding - GOV.UK \(www.gov.uk\)](http://www.gov.uk)

[Condition methodology and spend guidance \(publishing.service.gov.uk\)](http://publishing.service.gov.uk)

Appendix A

Accounting Guidance

Capital Income

The following codes are to be used for Capital Income:

26030	Devolved Capital Funding
26067	Other Capital Income
26156	Capital – Private Contribution

DFC funding will be credited to the school budget against ledger code 26030 Devolved Capital Funding.

Bank account schools will receive DFC funding in the bank account and must ensure it is correctly coded to 26030.

In most cases this is likely to be the only capital income code required by schools.

Capital Expenditure

The following codes are to be used for Capital Expenditure:

11091	Capital - New Construction	New construction, conversion and renovation over £2,000
11094	Capital - Land & Buildings	Cost of acquisition of land and existing buildings
11095	Capital - Vehicles, Plant & Equip	Cost of acquisition of vehicles, plant and equipment
11096	Capital - ICT	Cost of computer hardware and software to be capitalised over £2,000

The above codes will be the **only** codes used to calculate the capital balance for each school at the end of the financial year. The codes most likely to be used in schools are likely to be 11091 and 11096.

The in year surplus or deficit for capital will then be added to the balance brought forward from the previous financial year.

Capital balances will not impact on the normal excess balances clawback policy.

Revenue Contributions to Capital Projects

Schools may contribute towards a larger capital project from their revenue budget. In these circumstances the expenditure should be charged to:

13568	Revenue Contributions to Capital
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In some cases, such as a multi funded projects managed by Property Group, an additional RCCO code 32018 may be used, however, this can only be used for schools contributing to the authority's capital programme

Please note: Expenditure against these codes **will not** be used in the calculation of capital balances as they are treated as revenue expenditure.



Appendix B

Capital Income & Expenditure FAQs

Question	Answer
We intend to redecorate the school hall, could this be charged to capital?	No, this is classed as maintenance and should be charged to revenue.
We have purchased a new projector which has been charged to capital but I am unsure whether the mounting kit, cables and delivery charge can also be charged to capital?	Yes, any costs for goods or services required to bring an asset into use can be charged to capital, therefore as the mounting kit, cables and delivery are costs required to bring the asset into use these can be charged to capital.
Our school roof is leaking and needs repairing, can we charge this to capital?	No, as the roof is merely being repaired this cannot be charged to capital. However, if this was a new roof rather than just a repair this could be charged to capital
We are purchasing a replacement cable for one of our laptops can this be charged to capital?	No, as this is a replacement cable it cannot be charged to capital.
We are in the process of replanting our raised beds with shrubs and flowers; can we charge this to capital?	No, this is not a valid capital expenditure item as it is not enhancing an existing asset.
For health and safety reasons we are looking to replace our changing room floor tiles with new non-slip flooring, can this be charged to capital?	Yes, this is an enhancement to the existing asset and can be charged to capital. If new flooring is a direct replacement, such as the carpet in a classroom being replaced by another carpet then this should be charged to revenue.
We currently have a capital project taking place at school; does this mean that we can charge items that would not normally be charged to capital to the project?	No, the only exception to this is if they are costs for goods or services that are required to bring a new asset into use.



Appendix C

Examples of Capital/Revenue Expenditure

Capital Expenditure	Revenue Expenditure
Structural maintenance of roads, bridges & footpaths	Routine maintenance of roads, bridges & footpaths (e.g. filling potholes)
Extending a building	Maintaining a building (re-pointing, repairing minor cracks, painting etc.)
Structural repairs on a building, where the value has been written down in the accounts to reflect damage	Repairs for damage not reflected by a reduction in the value of the building in the accounts
Major refurbishments or overhauls that extend the life or value of an asset beyond its assessed standard	Painting and decorating, routine maintenance
Re-roofing of buildings	Roof repairs or replacing broken tiles
Upgrading poor quality old windows with new, higher quality ones	Window repairs or replacement of broken windows
Installation of central heating	Replacement of central heating or broken parts of a heating system
Improvement of floor structures	Floor coverings
Installation of new kitchens or toilet facilities	Repairs or replacement of kitchen or toilet fittings
Installation of water supply services/equipment	Repairs or replacement of water supply services/equipment
Installation of new systems and plant, where additional or more advanced and not a like-for-like replacement	Like-for-like replacement of systems and plant within a building
Removal of asbestos where a risk to health and safety and affecting the use or value of the building	Removal of asbestos where it poses no risk to health or value of the building if left in situ. Inspection, air-testing and protective sealant treatment relating to asbestos.
Remodelling to make a building fit-for-purpose that otherwise would not be	Remodelling that does not significantly affect the service provided
Legal & project management fees, architects', surveyors' and engineers' fees where directly attributable to an enhancement	Feasibility studies and finance fees



Acquisition of items from another school

Last reviewed 2024

It is recommended that these protocols are followed for schools acquiring assets from another school e.g. in instances where a school is closing:

- Governing bodies, through their head teachers, are statutorily required to provide an asset register inventory for items above £200 in value. Therefore, when acquiring items from another school these need to be added to the inventory;
- All correspondence relating to purchase or acquisition of assets should be retained;
- Schools should be sent lists of the items allocated to them, together with details of when they can be collected.
- It is for receiving schools to arrange removal/transport at a date and time agreed with the closing school and be responsibility for transport costs;
- Schools or individuals should sign a receipt detailing the items taken, on the closing school premises at the time of removal;
- Any payment agreed should be required before any items are taken and all cheques / cash should be receipted;
- Schools receiving items from a closing school must update their stock books and central assets register with immediate effect to ensure insurance requirements are met;
- Receiving schools will be responsible for goods in transit in case of damage or loss; and
- Site licences for computer software should be transferred into the name of any receiving school.
- Receiving schools will formally list items on their inventory on the day of arrival for insurance purposes.