



Brent

SCHOOLS FORUM

The Village School

Wednesday 2nd December 2015 18:00 – 20:00

(Refreshments from 17:30)

AGENDA

NO.	ITEM.	OFFICER	TIME
	Introductions (if appropriate)		
	Apologies for Absence and Membership		18.00
1	Declarations of Interests		18:05
2	Minutes of Previous Meeting – 21 October 2015		18:10
3	Further update on the implementation of the Early Years Pupil Premium	Sue Gates	18:20
4	School Admissions	Carmen Coffey	18.30
5	Pupil Growth Budget 2015-16 and 2016-17	Carmen Coffey	18:50
6	Schools Financial Regulations	Cate Duffy	19.10
7	AOB		19:30

Dates of Future Meetings

Wednesday 13th January 2016 (TBC)
Wednesday 24th February 2016

Venue

Queens Park Community School
The Village School

BRENT SCHOOLS FORUM

**Minutes of the Schools Forum held on
Wednesday 21st October 2015 at Queens Park Community School**

Attended by Members of the Forum:

Governors: Mike Heiser (MH)
Sue Knowler (SK)
Herman Martyn (HM)
Narinder Nathan (NN)

Head Teachers: Rose Ashton (RA)
Lesley Benson (LB)
Kay Charles (KC)
Rabbi Yitzchak Freeman (YF)
Sylvie Libson (SL)

PRU:

PVI Sector:

Trade Unions: Lesley Gouldbourne (LG)

14-19 Partnership:

Lead Member (C&YP): Cllr Ruth Moher (RM)

Officers: Gail Tolley (GT)
Cate Duffy (CD)
Sue Gates (SG)
John Galligan (JG)
Minesh Patel (MP)
Norwena Thomas (NT)
Devbai Patel (DP)

ITEM DISCUSSION**i. Introductions**

The Forum commenced at 6.15pm.

NN introduced herself as this was her first Forum.

ii. Apologies for Absence

Gill Bal
Martine Clark
Helga Gladbaum
Terry Hoad
Melissa Loosemore
Titilola McDowell
Desi Lodge Patch (Retrospectively)
Andy Prindiville
Umesh Raichada
Paul Russell
Troy Sharpe
Christine Starkl

iii. Absences

Marc Jordan

1 Declarations of Interests

None

2 Minutes of the meeting held on 21st October 2015 and Matters Arising**2.1 Accuracy**

2.1.1 There were no corrections to the minutes therefore they were approved as an accurate record.

2.2 Matters Arising

2.2.1 Update on VAT as to why the VA schools are not exempted from paying VAT on the governors' liability of capital funding – MP reported that this was followed up with DfE with a couple of DfE contacts that DP and NT had in relation to Funding Formula. It's been difficult to obtain telephone numbers as they do not encourage telephone contacts or provide it in any correspondence. They recommend online contacts and this has also been made. HM asked for a log of what was raised and when so that he could look at other options to take this forward. SL said she agreed that it is difficult to contact DfE – she is well aware of this from the time that she did work with the DfE. Officers would continue to pursue this matter and provide an update at the next Forum.

2.2.2 School Meals budget – Update on Schools Meals for Kosher and Pureed meals – As 2.2.1 above

2.2.3 Review of impact of funding a full-time post to manage Early Years Pupil Premium Grant (EYPPG) – This was on the agenda for this Forum.

2.2.4 School Expansions – Clarification of query regarding hourly rate for expanding schools – This was raised by a former Head Teacher of an all-through school and wasn't a case of asking to review but was for clarification. The June 2015 minutes were incorrect in that it indicated a request to review the pupil rate. If the Schools Forum felt that there was a need to review the per pupil amount, a report would be brought to the Schools Forum. GT confirmed that officers met with the Head and had a discussion with him, and that the matter had been resolved. CD said if there is a need to review per pupil rate, there will be an opportunity to discuss this in considering the Growth Funding report which is on the Forward Plan for December 2015 Forum.

2.2.5 Schools Forum Papers – YF thanked officers for sending out the papers as one PDF document. It was so much better and made it

easy to print. He asked that spreadsheets are sent out as Excel as well as included in the PDF pack.

2.2.6 De-Delegation Items – LB said that the Free School Meals eligibility service should be charged to nursery and special schools as well as to academy schools. CD said that the same should apply to all de-delegation items.

2.2.7 Task Group to review Schools Financial Regulations 2015-16 – MS asked if a task group was set up now. CD reminded members of the agreement at the last Forum this was not going to be looked at until the LAs Ofsted inspection was complete and was scheduled for December's Forum. She asked if any Heads wanted to be part of this group as so far only LB and SL have agreed to join. CD will invite all maintained school heads and COG to join this task group and asked if any other Heads were interested to let her know.

3 Benchmarking of End to End Process on School Admissions Applications

This report was for information

3.1 The report was made available but was circulated late. CD appreciated that not all members would have had a chance to read it and asked if preferred it could be brought to next Forum or comments or questions could be emailed after the Forum. It was agreed to defer the report to December's Forum.

4 Update on the Implementation of the Early Years Pupil Premium

This report was for update and approval by all members.

4.1 SG presented this report. In February 2015, Schools Forum approved funding to appoint a member of staff to manage the Early Years Pupil Premium (EYPP). Due to Council policy to offer the job to re-deployees first, the recruitment process took long and the post was not actually filled until June 2015. The post-holder is based in Early Years but equally works in Pupil and Parent Services. In the summer the post-holder was involved in processing claims, reviewing the process, identifying where further clarification or training on the EYPP was required for providers and ensuring that this was carried out.

4.2 Information to schools was made available in June to those that attended the EYPP meeting and was posted on the Schools Extranet, highlighting the eligibility criteria and explaining the process for claiming the grant. Currently the claim process defers for maintained schools and PVI providers. It is intended that the same process will apply for both from April 16.

- 4.3 Section 4.4 provided an update of the claims received. In schools 15 out of 63 schools applied but only 3 pupils were eligible and a total of £890.40 was paid out. In PVI a total of 48 applications were submitted with 39 providers being eligible and a total of £16,523.28 was paid out.
- 4.4 There was a significant level of work involved in checking through the applications. There were incorrect NI numbers, lack of clarity around eligibility criteria and some schools insisted on all pupils completing a form. The Admin Officer had to contact everyone where there was an error. This put around 76% of the visits on hold.
- 4.5 The take up for the grant is very low and officers are seeking clarity on clawback with the DfE. MH asked if the funding would be backdated to the term or start of the financial year and SG replied that they would aim to backdate it to the child's start date, as there is no restriction on doing so.
- 4.6 YF was concerned that entitlement of money is being denied – only 50p for every £1 spent is high. He appreciated the difficulty in not knowing who these children are and thought there is something very wrong in the operation of the system. In terms of promotion, he asked if the community has been engaged and if creating other ways of promoting, rather than just literature, are being explored. SG said they are engaging community champions who are well trained but only dealing with a small number of providers. At times providers do not want community champions visiting them so this cannot be forced on them.
- 4.7 LB said that the promotion was to PVI only and the training date was announced on 22 June for 10 July. This was at a very short notice to have training towards the end of the school year. All colleagues felt that there was no information being made available and were frustrated. Pupils left in the summer and parents have no interest in filling in the forms after their children have left. The form from the DfE is completely misleading. There is no need to use it as the form for free school meals eligibility check has all the information and does the same job. She felt that the administration has not been thought through. Both SL and LB use the maintained schools and PVI systems and are frustrated that they have to use two separate systems.
- 4.8 LG asked if any other LAs have managed to run this system fully. SG said at the Early Years Heads meeting with other boroughs they all seemed to express the same concerns. It was confirmed that there was no backlog to pay the first term's EYPP. The next term's payments are not due until the end of the term.

- 4.9 SL agreed with LB and said that the total system is shambles. The schools are not happy with another form when parents are already completing one form. It has been poorly thought through. LB asked this officer has time to go out and provide one to one visits.
- 4.10 GT said officers have noted that there has been a lack of communications. It should be noted that this was launched at the Early Years Conference where not all primary schools were present, and therefore it was decided to have a training sessions for those schools that were not present. Also receiving so many forms created additional work and other colleagues had to help out. If Schools Forum does not want to approve one to one visits these can stop even though some schools and settings found them helpful.
- 4.11 SL asked if the information can be picked up from SIMS like for other pupils. SG said SIMS is for school age children. MH asked if the system could be more automated and SG said she would take this back.
- 4.12 It was reminded that the funding for managing the EYPP post cannot be made from the EYPP funding. It has to be funded from DSG.
- 4.13 SL and LB were reluctant to approve any further funding and asked for an update at December's Forum to check that the grant management is on track.
- 4.14 SK suggested approving further funding as requested and see it out in the year. For PVI's it's totally new. It requires strategic work done in order for the providers to get it right. KC added that the money needs to go out to children and if someone is needed to manage it, someone has to be in the post. CD agreed and added that if the post is not approved, the Schools Forum will need to look at an alternative to make sure that the funding is paid.
- 4.15 MH concluded the item asking members if they were in favour of approving the funding until the end of March 2016 and request a quick update at the December 2015 Forum. He asked for votes and it was voted unanimously.
Post meeting notes: See page 11 and 12 of this minutes providing additional update.

5 Schools Causing Concern Budget 2016-17 Funding

This report was for approval by Maintained Primary and Secondary Schools separately.

- 5.1 JG presented this report. He thanked members for approving the funding for schools causing concern for the current financial year and said the same was required for 2016-17. The process is being

tightened up and funding can only be applied for if schools have in place a Rapid Improvement Group (RIG) or Interim Executive Board (IEB) which monitors its impact. The funding has had a huge impact on schools.

5.2 Although the actual number of schools causing concerns is low, most are in financial difficulty. The schools need to develop leadership capacity. The funding request is the same as 2015-16. Improvements are taking place and fewer schools are causing concerns and therefore it is anticipated that the funding will go down at some point in the future.

5.3 SL and RA agreed that this was an exceptionally good service and there should be no debate about funding it. RA added that the problem is recruiting good headteachers. JG agreed and informed the meeting that there is a London-wide group looking at this issue. GT as Chair of ALDECs is part of the group.

5.4 MH invited all primary representatives to vote and all voted in favour of funding the service in 2016-17. There were no representatives for maintained secondary schools and it was requested that the approval was obtained in writing.

Post meeting notes: The maintained secondary representative has confirmed to be in favour of de-delegating Schools Causing Concerns budget.

6 The Learning Zone at Wembley Stadium

This report was for approval by all members

6.1 JG presented this report. This report requests funding to run the Learning Zone programme at Wembley Stadium. The programme covers a variety of activities for Brent children and young people during term time, as well as additional activities during school holidays. There has been a significant increase in usage of the service in 2015-16 compared to the previous year. The visits have increased by 87%. Funding for this is vital to maintain a unique learning environment for Brent children. It subsidises for Brent children only. Non-Brent children are charged the full cost. An additional £7k is being requested this year due to withdrawal of sponsorship by the NFL.

6.2 SK asked how many schools use this service, as opposed to the number of pupils. It was asked if other clubs beyond Brent have been approached for sponsorship. JG didn't know the number of schools and said he would check this. He said that most stadiums have similar programmes and therefore local partnerships.

- 6.3 All members were asked to make a decision on funding this service in 2016-17 and everyone voted unanimously to fund £88k in 2016-17.

7 Schools Funding Formula 2016/17 – Provisional

This report was for consultation

- 7.1 NT presented this report. The report provided an update on 2016-17 funding arrangements to schools based on the funding formula, i.e. schools block only. The funding is based on a like for like comparison except that adjustments have been made to update certain known variables such as. rates, amalgamations and permanent expansions where pupil numbers are increasing. The pupil data used is October 2014 as required, but the final funding will be based on October 2015 data.
- 7.2 In 2015-16 only a few schools received MFG but in 2016-17 almost all schools are receiving MFG. The loss per school is therefore mitigated by the 1.5% MFG protection. Two free schools are now included in the funding formula. These are Michaela Community and The Kilburn Grange Primary schools. These are funded by the EFA for the first two terms after which they get included in the local authority's funding formula, i.e. from 2016-17.
- 7.3 Lyon Park Infant and Junior Schools are going through the consultation process to amalgamate to Lyon Park Primary School. The funding is calculated on the assumption that it will amalgamate on 1st April 2016 – were this not to be the case, this will be amended before the final submission.
- 7.4 The funding pot will remain the same unless Brent receives additional funding. MH added that the government is saying that the schools funding will remain cash flat so every school will have to take a cut.
- 7.5 MH invited all members to give their consent on the following recommendations:
- a. continue to use the current formula with the updated October 2015 data for submission to the EFA in January;
 - b. cancel the January 2016 Schools Forum meeting which has been tentatively scheduled for this purpose;
 - c. confirm the final schools block funding at the February meeting, following EFA approval.

All recommendations were voted for unanimously except for (b) which was to keep the January meeting in the diary in case there were too many other items in December 2015.

8 De-Delegations 2016/17 – Maternity, Licenses, Trade Union Facilities Funding

This report was for approval by the maintained primary and secondary schools separately.

- 8.1 NT presented this report. This is one of the annual requests to de-delegate Maternity, Licenses and Trade Union Facilities funding. The request for Maternity is £8.50 per pupil, Trade Union Facilities £83,578 and for Licenses £6,100. In addition £195,230 was to be centrally retained for licenses centrally negotiated by DfE. The copyright licenses included in the de-delegation are British Pathé and CLEAPSS
- 8.2 SL asked if this covered premises licenses as her school had received an invoice already. It was confirmed that this was for copyright only and not for property-related issues. CD said she will find out from the property team what that license covers.
- 8.3 MH said they have had long discussions in the past about Trade Union and asked if members wanted to reopen that discussion. YF asked if more schools convert to academy does the total request for funding get reduced and it was confirmed that it has reduced and will continue to do so. LG said yes the academies subscribe centrally and they are charged directly. Both Ark and EACT have agreed to subscribe to the Trade Union Facility funding but GBT does not buy into the service. The charges are made by schools buying through BESTBrent. Currently not all services are included e.g. FSM eligibility criteria. CD will look into a way of charging the schools upfront.
- 8.4 The recommendations to de-delegate Maternity Grant, Trade Union and Licenses funding were approved by all unanimously. There were no representatives for maintained secondary schools and it was requested that the approval was obtained in writing.

Post meeting notes: The maintained secondary representative has confirmed to be in favour of de-delegating Maternity, Licenses, Trade Union Facilities Funding.

9 AOB

None

The Forum ended at 7.45pm

ACTION LOG

Item No	Action	Due	Owner
1	Update on VAT – why the VA schools are not exempted from paying VAT on the governors' liability of capital funding and Academies are exempted – to continue follow up and provide a log of activities.	Dec 15	Finance
2	Update on additional School Meals funding for pureed and kosher meals – to continue follow up and provide a log of activities.	Dec 15	Finance
3	Short update on Review of impact of funding a full-time post to manage Early Years Pupil Premium Grant. Update on EY PPG payments.	Dec 15	SG
4	Set up a Task Group to review Schools Financial Regulations 2015-16.	Dec 15	CD
5	De-delegations and other centrally provided services to be charged to academies, nursery and special schools.	Feb 16	CD/RJ
6	Benchmarking of End to End Process on School Admissions Applications.	Dec 15	CC
7	Some schools were invoiced for property license. To find out what the property license covers.	Dec 15	CD

Addendum – EYPP update:

This is additional information clarified after the meeting in response to concerns raised about delay in payments. It has been clarified that the free school meal payments are up to date, no known delays.

1. EYPP payments

PVI providers - payments are all completely up to date.

Schools - all payments that were for Summer term that had been received by this department were paid at the end of term.

Applications received later than this but still relating to the summer term, were processed in September and paid before the half term.

Autumn applications (427), which were reported to the Schools Forum, were paid by half term. The 60 that were reported as having missing information, 37 were updated and paid in October, the remaining 23 had to be physically sent back to schools as they required a signature. Of these 21 have now been processed and will be paid within the next three weeks. We continue to receive more forms on a daily basis and we will process and send for payment within 3 weeks. Therefore all complete applications are being paid considerably sooner than the end of term guarantee.

2. Systems solution

Using existing systems such as SIMS and SAMS for EYPP data entry by schools is not an option as they are not set up for this. Currently parents apply for free schools meals through the parent portal. Approvals show up on the SAMS system and schools input this data on to SIMS for payment.

The plan for a systems solution to EYPP is to set schools up on Tribal for them to use the provider portal to submit EYPP claims, the checks and subsequent payment will be carried out by the council. This will mean that schools only have to enter the data once and payment will automatically happen.

3. Communications

As explained in the paper, this was launched at the Early Years conference in February, there is information on the Extranet, the council's website alongside FAQ's, training has been made available to PVI providers. Training was also made available to schools, although we accept that the second training date in July was too close to the end of term.

Going forward, we are preparing more written information but this will not be distributed until the systems solution is completely ready and we plan to have a presence at the Schools Finance Conference in January 2016. There will also be an invitation to schools to attend the regular training in December on the provider portal and specific training will be planned for January / February with an aim for launching this in Summer term 2016.

DRAFT



SCHOOLS FORUM

2 December 2015

Report from the Strategic Director of Children and Young People

For Update and Approval

3. Brief Early Year Pupil Premium Update

1.0 SUMMARY

- 1.1 This report provides an update on Early Years Pupil Premium (EYPP) as requested at the Schools Forum on 21 September 2015.

2.0 RECOMMENDATION

- 2.1 The Schools Forum is requested to:
- a. Approve the extension of the contract for the EYPP processing assistant for a further 6 months from February 2016 to August 2016 to enable further support to PVI providers and schools until the EYPP is embedded in settings. The cost of this post for a twelve months period will be £35k.
Voting is open to all Schools Forum members

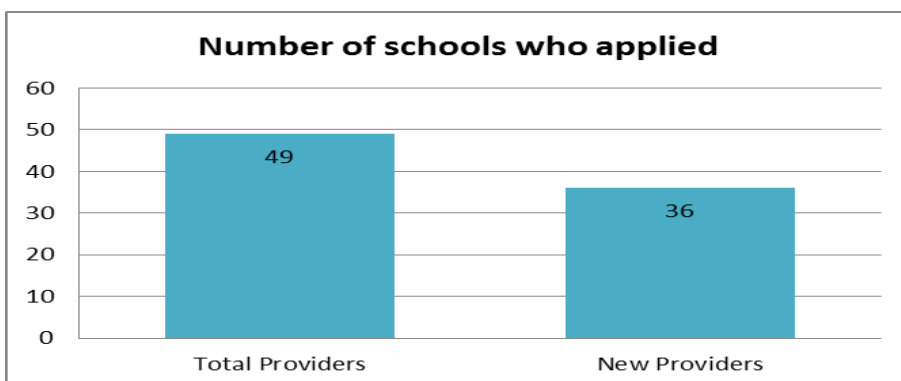
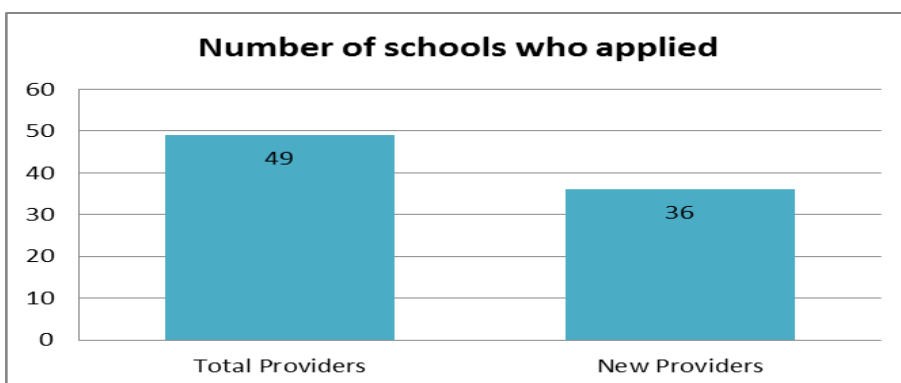
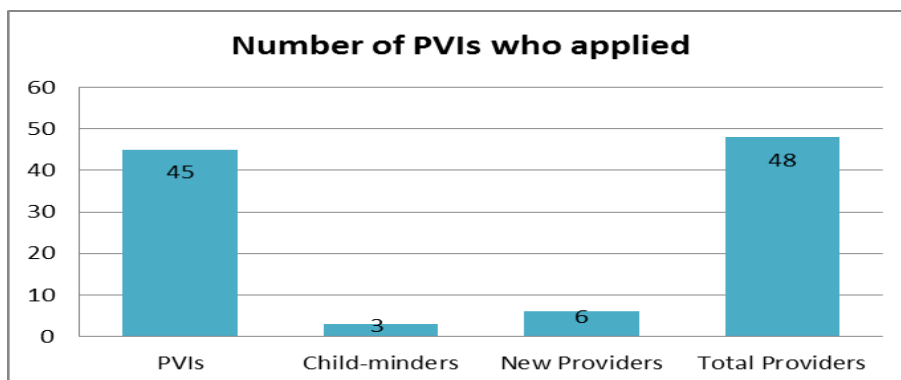
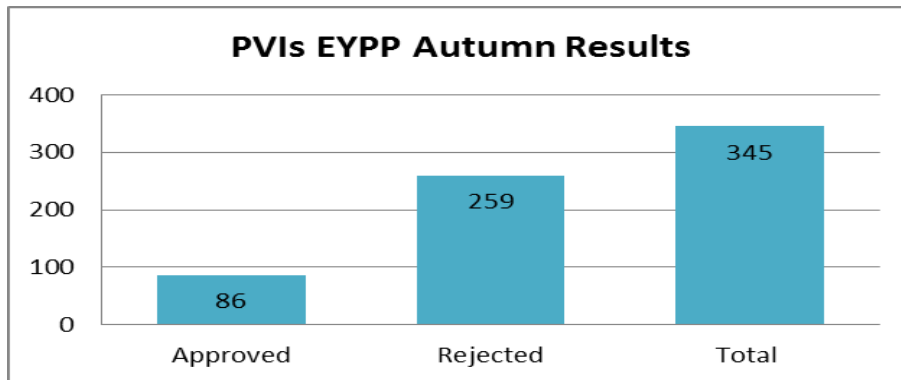
3.0 DETAILS

3.1 EYPP Headcounts

- 3.1.1 This term saw a significant increase in applications for the EYPP, particularly from schools. Amongst PVI providers, there was a drop in the number of applications compared to the summer term. This perhaps reflects a better understanding of EYPP funding. Providers are now applying for children that they believe may be eligible, unlike the summer term where some applied for all the children that attended their setting.
- 3.1.2 While we have seen an increase in claims from schools, issues remain with the number of incomplete forms being sent in. This has resulted in some delays to processing and subsequent payment. Nevertheless, all applications found to be eligible have been processed and payment has been made.
- 3.1.3 Administration of the EYPP over 2 terms has highlighted that a number of applications are being rejected, despite the fact that the parents are

in receipt of benefits. Relatively few children have been found eligible through the ECS checker compared to the numbers submitted (only 25% for PVI claims and 32% for schools claims). This has been brought to the attention of the DfE and the matter has been passed on to their technical team working on the ECS checker. We are still awaiting their response.

3.1.4 In some cases, children approved on the Free School Meals checker are not approved on the ECS checker. This has also been reported to the DfE and is being investigated.



3.1.5 We continue to receive applications on a daily basis and we will process and send for payment within 3 weeks. Therefore all complete applications are being paid considerably sooner than the end of term guarantee.

3.2 EYPP Payments to Date

3.2.1 The EYPP allocation for Brent for the financial year 2015-16 is £384,123 based on an estimate of 1,334 eligible children. This is paid at the rate of 53p per hour per child.

Spend to date (April 2015 – November 2015) of EYPP allocation for 2015-16:

Summer term headcount:	£17,302.38
Autumn term headcount	£29,224.20

EYPP processing assistant – spend

June – November 2015 (actual)	£12,664.98
November – March 2016 (forecast)	£11,223.64

3.3 Systems Solution

3.3.1 Plans for a systems solution to EYPP are underway and expected to be confirmed by the end of December. Final decisions are likely to be made by the end of the year. Training will be offered to all schools. This will also be an agenda item at the Schools Admission meeting on 10 December and the January 2016 Schools Finance meeting.

3.4 EYPP Benchmarking with Statistical Neighbours

LA	DfE estimate	Actual take up (Autumn)	Resourcing	Funded from
Brent	1334	309 (23%)	1 dedicated member of staff	DSG
Lambeth	1682	212 (13%)	1.5 additional members of staff incorporated into Early Years team	General fund
Newham	2000	355 (18%)	Incorporated into existing team	DSG
Croydon	1309	481 (37%)	Sufficiency team expanded by 1.6 members of staff to incorporate EYPP work as well	DSG

CONTACT OFFICERS

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Sue Gates
Head of Early Years and Family Support 0208 937 2710



SCHOOLS FORUM

21 October 2015

Report from the Strategic Director of Children
and Young People

For Information

4: SCHOOL ADMISSIONS

1.0 SUMMARY/INTRODUCTION

1.1 This report provides an update on the work of the school admissions team, provides detail of the staffing structure and the volume and nature of work undertaken. The report also references benchmarking that took place in 2014.

2.0 RECOMMENDATIONS

2.1 This report is for information and comment.

3.0 BACKGROUND

3.1 School admissions work falls into two main categories, co ordinated rounds at Reception transfer and at secondary 11+ transfer, and In Year Admissions. Co ordination at Reception admission and 11+ transfer is a statutory requirement and must be carried out by the Council.

3.2 Changes to the Admissions Code in September 2013 mean that schools which are their own admission authority can manage their own in year admissions. The Council is the Admission Authority for Community Schools and processes in year applications for these schools. In addition many VA, Academy and free schools have asked the council to process in year admissions on their behalf.

3.3 The admissions team process in year admissions for a total of 53 Brent schools. 10 Brent secondary schools, this includes academies and VA schools, and one free school, 32 primary community schools and 9 primary academy and VA schools and one free school.

- 3.4** In addition to processing applications, making offers and updating the admissions system, the admissions team provides advice and guidance to parents, other boroughs and schools.
- 3.5** In January 2012 the admissions team transferred to the Customer Services Department of the council and was managed by customer services. The admissions team returned under the management of the department for Children and Young People in November 2014. Data on volume of phone calls and in year applications is reported from April 2015 onwards.

4.0 DETAIL

- 4.1** The admissions team process all applications for Brent resident pupils for the reception transfer round each year. For the 2015 reception admission round 3911 on time applications and 504 late applications have been received to date a total of 4415. A further 300 late applications are expected to be received within the academic year. These applications can be for in borough and out borough schools.
- 4.2** For the 2015 11+ transfer admission round 3334 on time applications were received and 335 late applications to date, a total of 3669. A further 200 applications are expected before the end of the academic year. Applications can be for in borough and out borough schools. All Brent secondary schools are their own admission authority and have individual oversubscription criteria.
- 4.3** In year applications are those received outside of the normal admission rounds which are reception transfer at 4+ and secondary transfer at 11+. From 1st April 2015 to 14th October 2015 2198 in-year applications were received. This breaks down as 1541 primary and 657 secondary.
- 4.4** Telephone calls received by admissions from 1st April to 14th October 2015 totalled 23,024, 1887 of these were from schools.
- 4.5** The admissions team represents the council and schools at admission appeals for community schools. In relation to the 2014 admission round from April 2014 to March 2015 there were 61 appeals, of which 33 were won by the council, 27 were withdrawn and 1 was upheld. For the 2015 admission round from April 2015 to date 68 appeals have been lodged, 48 refused, 14 withdrawn and 5 yet to be heard. Generally appeals are withdrawn when parents receive the paperwork for the appeal and begin to understand the grounds on which appeals can be upheld.
- 4.6** The admissions team provides advice and guidance on oversubscription criteria to VA Foundation and Academy schools to ensure compliance with the Admissions Code. The team reviews community school admission arrangements and manages the statutory consultation on any proposals to amend the arrangements.

- 4.7** The team produces the primary and secondary handbook, designs application forms and ensures the Admission web pages are accurate and updated. The team liaises with Pan London to ensure compliance with the requirement to co ordinate applications across all 33 London boroughs.
- 4.8** The service provides a termly meeting for schools to update and discuss admissions matters. The service also provides training on the School Admission Module (SAM) the software used to allow schools to access the admissions system remotely.
- 4.9** The service offers distance measurement for nursery applications, even though admission to nursery classes is not co ordinated by the Council.
- 4.10** There are 10 officers in the Admissions team. 1 Manager, 8 Admissions Officers and 1 Apprentice. In addition the team are supported by .70 per cent of the System and Policy Manager and 50 per cent of the Head of Pupil and Parent Services posts.
- 4.11** The total expenditure on admissions is £500,963. The total expenditure is made up of staffing costs £436,954 and other costs £64,009. Other costs include design and printing of application forms, subscription to the Pan London System and support and maintenance of the tribal system.
- 4.12** A benchmarking exercise was carried out in 2014 with requests for information sent to all London boroughs but only 9 responses were received. table 1 shows the number of applications compared to other boroughs.

Table 1 Coordinated admissions for 2014 intake in descending order of total volume of applications:

Borough	Primary	Secondary	Total
Croydon	4824	4193	9017
Ealing	4547	3526	8073
Redbridge	3861	3600	7461
Brent	3733	3203	6936
Hillingdon	3839	3023	6862
Lewisham	3953	2783	6736
Waltham Forest	3425	3017	6442
Barking & Dagenham	3529	2519	6048
Merton	2776	1827	4603
City of London (not an Admissions authority)	32	16	48

Table 2 compares staff numbers in 2014

Borough	No. of staff in admissions team	Are appeals dealt with in this resource?
Brent	10	Yes
Ealing	11	Yes
Hillingdon	5	Yes
Barking & Dagenham	10	Yes
Redbridge	11.5	No
Lewisham	9	Yes
Croydon	13	Yes
Merton	6	Yes
Waltham Forest	11	Yes
City of London	1	N/A

CONTACT OFFICERS

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Cate Duffy
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Brent

SCHOOLS FORUM

2nd December 2015

Report from the Strategic Director of Children
and Young People

For Decision

5: PUPIL GROWTH BUDGET 2015/16 and REQUEST FOR 2016-17 FUNDING

1.0 SUMMARY/INTRODUCTION

- 1.1 This report provides a review of growth expenditure in 2014/15, and indicates projected expenditure for 2015/16. Growth expenditure is required to fund increases in pupil numbers.
- 1.2 This report provides information on additional secondary Year 10 and 11 classes, new primary classes, expansions and annexe provision which has been driven by demand for primary school places.
- 1.3 The two English as an Additional Language (EAL) projects for new arrival Year 10 and 11 pupils provide detailed reports on their provision in 2014/15 at appendices 1 and 2.

2.0 RECOMMENDATIONS

- 2.1 The Schools Forum is being formally consulted on the following:
 - a. Note the expenditure on pupil growth in 2014/15 and the projections for 2015/16.
- 2.2 The Schools Forum is requested to:
 - a. Review the 2014/15 expenditure allocated for the growth in pupil numbers
Note the expenditure projection for 2015/16
 - b. Approve pupil growth funding for additional classes and places needed for 2016/17 at the current years projected expenditure of £3,500,000.
 - c. Approve Rising Rolls funding of £1,129,952 at the same rate as current financial year.

Voting is open to all Schools Forum members

3.0 BACKGROUND

- 3.1 Local authorities (LA) have a statutory duty to ensure there are sufficient school places for children in their area.
- 3.2 If the LA cannot offer a school place or alternative education placement the authority is open to Ombudsman complaints and legal challenge. In recent years Brent has seen an unprecedented increase in the demand for primary school places. The primary pupil population (Reception to Year 6) has grown from 21,427 in May 2008 to 26,028 in May 2015, an increase of 17.68%.
- 3.3 In October 2014 the most recent pupil projections provided to the authority by the GLA had indicated a substantial reduction in births across London in 2012, with a subsequent decrease in demand for Reception places from 2016. We are aware however that more recent data indicates that birth rates have risen sharply in the past 12 months. We therefore expect future GLA projections to be revised upwards in the future.
- 3.4 Based on this reduction in birth rates demand for Reception places is currently projected by the GLA to reduce from September 2016, leading to a projected surplus of Reception capacity across the borough. However, we expect that demand for admissions in year groups other than Reception will continue to grow. This is because the cohorts grow year on year, as new children arrive in Brent creating demand for additional in year places. Having 'just enough' places in reception will not supply enough places to meet the demand by the time the cohort reaches Year 6.
- 3.5 There are sufficient secondary places in Years 7, 8 and 9 at the present time but there continues to be pressure on places in Years 10 and 11, not least because many new arrivals to Brent are new to the UK education system, and would not be easily assimilated into the academic offer available in secondary schools.
- 3.6 By 2018 it is expected that demand for Year 7 places will outstrip current supply, and that by 2022/23 an additional 18.8 secondary forms of entry will be required.

4.0 DETAIL

4.1 Primary places

The pupil growth budget allows the council to meet its statutory duty to provide sufficient places for children within the area who request one. Pupil growth expenditure applies to both primary and secondary phases.

- 4.1.1 In the recent past Brent has been forced, at very short notice, to open temporary annexe provision and bulge classes to meet the sharp increase in demand for primary places experienced in all year groups not just the reception intake. Such temporary provision is neither educationally desirable nor cost effective. It is also a challenge for schools to take on annexes and additional classes as there can be an impact on the schools results. Annexes and additional temporary provision mean that nearly all the places are taken up by new arrival children, who may have little or no previous formal education.
- 4.1.2 We would want to reduce our reliance on this provision by providing sufficient flexibility in the permanent and temporary provision on school sites. In recognition of this and the projected growth in primary cohort size from Reception to Year 6, the Brent Cabinet recommended, in October 2014, that Brent should aim to maintain a 5% surplus in Reception places. We are

currently operating with a surplus of just over 1% in Reception. The current primary surplus across the Borough is 2.02% and even with all planned expansions and Free Schools it does not rise above 3% until 2022. This will quickly be accounted for if, as expected, pupil numbers increase above current projections when the recent increase in the birth rate works through.

4.1.3 Pressure on primary school places in all year groups is still significant. The majority of Brent primary schools are operating at full capacity. School expansions and opening of annexes have allowed the council to fulfil its statutory duty to offer all applicants a place.

4.1.4 In the last two years primary annexe provisions have been opened to meet the unprecedented demand for primary places. These are shown in table 1 below. One annexe provision run by College Green at Anansi Nursery closed this year.

Table 1

Managing School	Annexe	Number of classes
Byron Court	Ashley Gardens	2
Leopold Primary School	Gweneth Rickus Building	11
Lyon Park Federation	Douglas Avenue	3
Roe Green Infants	Strathcona Road	6

4.1.5 The programme of permanent primary expansions underway for 2015 and 2016 shown in table 2 should ensure that sufficient primary places will be available as long as there is no significant change to the pupil projections.

Table 2

School	Additional FE	Planning area
Byron Court	2	2
Elsley Primary School	2	3
Leopold Primary School	2	4
Stonebridge Primary School	1	4
Uxendon Primary School	2	2

4.2 Secondary places and projects

4.2.1 The opening of Michaela Free School in September 2014 has created additional places in Years 7 and 8. There are currently 312 vacancies in Year 7, 203 in Year 8 and 168 in year 9. Three Brent secondary schools have the majority of vacancies. There continues to be pressure on places in Years 10 and 11 from inward migration. As with primary year groups, children join schools year on year. A process for assessing the needs of Year 10 and Year 11 new arrivals through Choice Advice and Fair Access Interviews (CAFAI) is well established in Brent.

4.2.2 A significant number of pupils who come through the assessment centre process are 'Hard to Place'. Many pupils arrive in Brent not speaking any English; some have significant special needs. Others have moved to the area and where schools are full, have not been able to secure admission. The interviews and assessments are carried out by qualified teachers under the management of the Assistant Head of Claremont High School.

- 4.2.3 There are two projects for new arrival pupils with EAL. One is the Greenway project at Claremont High School and the other is based at the CLC at Queens Park Community School. There are 50 places at Greenway and 35 places at QPCS. Detailed reports provided by the projects relating to 2014/15 are attached as Appendix 1 and 2.
- 4.2.4 As there is now capacity in secondary schools in Years 7, 8 and 9, only Year 10 and 11 pupils are placed in projects. These are usually a mix of new arrivals from overseas, and pupils who move to Brent from other parts of the UK and London. In many cases pupils have arrived from overseas to another borough, but then move to Brent. Pupils attend one of the EAL projects for a limited time, which could be one, two or more unusually three terms – and are then moved on to schools. Moving pupils on is a resource intensive activity. Year 11 pupils who arrive after Christmas usually stay in the projects until the end of the academic year. Careers Advice from Connexions is provided to young people in the projects to enable them to access further education.
- 4.2.5 Since September 2015 139 pupils have been seen at the CAFAI and placed in schools or projects. More than 400 pupils were seen through the CAFAI in 2014/15.
- 4.2.6 Previously college courses were purchased from the College of North West London for new arrival pupils, but we found that Brent schools provided better courses and a more comprehensive curriculum. Places have not been purchased from the college this year. A small number of pupils require an alternative provision placement outside of the borough provision, these places are also funded from this budget. Queen's Park Community School continues to provide a reduced GCSE offer for new arrival pupils.

4.3 Staffing

- 4.3.1 The Admissions Team deals with general processes for the two co ordinated admission rounds at Reception and 11+ transfer and in-year or casual admissions. In addition to the admissions team there are two officers who support the administration of the Choice Advice and Fair Access Interviews (CAFAI) processes for newly arrived pupils in NC Years 10 and 11. There is an Assessment Centre Co - ordinator post fully funded from this budget. Working closely with Claremont High School Academy Trust, and responsible for the administration of the assessment centres, inviting families to the CAFAI, maintaining contact with schools and parents, and ensuring system data and pupil records are accurate and tracking the pupils until they are admitted to school. This post is graded at SO1. In addition, 30 per cent of the System and Policy Managers role is funded by this budget, which is to support the assessment centre process, make payments and keep records of expenditure, deal with parents, manage complaints and enquiries and liaise with schools. This post is graded at PO4.

4.4 Rising Rolls

- 4.4.1 In order to receive rising rolls funding, schools are required to meet the following criteria, as previously approved by the Schools Forum. The criteria is that the school has had pupil growth of 1.75% or more (not including bulge classes) by comparing October to January census, and October to October census. If this criteria is met, the school will receive pro-rata'd funding for

each additional pupil above 1.75%. Although the maximum value receivable is based on the AWPU rate, the actual amount received per pupil is likely to be less – based on a fixed pot and possibly large number of pupils.

5 FINANCIAL IMPLICATIONS

- 5.1 Expenditure in 2014/15 was £5,082,464. This was higher than the projected figure of £4,275,200 due to the costs of funding annexes and additional classes. However, it is expected that expenditure will reduce in 2015/16 as demand for reception places levels off. The majority of annexe places will be funded through the school census and school budget allocations. The projected expenditure for 2015/16 is £3.5m.
- 5.2 Schools that have expanded at the request of the LA have been guaranteed funding for 30 pupils per class. This funding has been set at differing rates dependent on the nature of the expansion/project. Where schools expand on the school site the guarantee is £3,300 per pupil and with the assumption of 30 pupils in a class. Where schools expand in an annexe or off site building then the guarantee is £3,600 per pupil. The guarantee is for one year and two terms. 7/12ths (September – March) for the first academic year, and full funding for the following financial year. The School Forum agreed that where schools undergo permanent expansion a one off payment of £25,000 could be made to support schools with the considerable additional management support required.
- 5.3 The budget has funded the secondary EAL projects, the additional places for new arrivals at QPCS and Newman Catholic College, alternative education placements for hard to place pupils, the primary annexes, and additional classes in primary schools. The budget has also met associated building/refurbishment costs to premises that house annexe provision.
- 5.4 2014/15 expenditure

Type of expenditure	Amount
Primary annexes	£3,049,424.77
Bulge classes	£681,874.21
Secondary CAFAI process and management	£110,439.59
Secondary EAL Projects and classes	£1,141,397.59
Other costs, i.e. premises etc	£99,328.32
Total	£5,082,464.06

2015/16 projected expenditure

Type of expenditure	Amount
Primary annexes	£1,380,750
Bulge classes	£1,195,437.88
Secondary CAFAI process and management	£95,000
Secondary EAL provision and classes	£673,400.90
Other expenditure	£155,411.22
Total	£3,500,000

6 **APPENDICES**

- A. Greenway at Claremont report 2014/15
- B. CLC at QPCS report 2014/15

CONTACT OFFICERS

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Report on Greenway Beginner and Core GCSE Projects based at Claremont High School

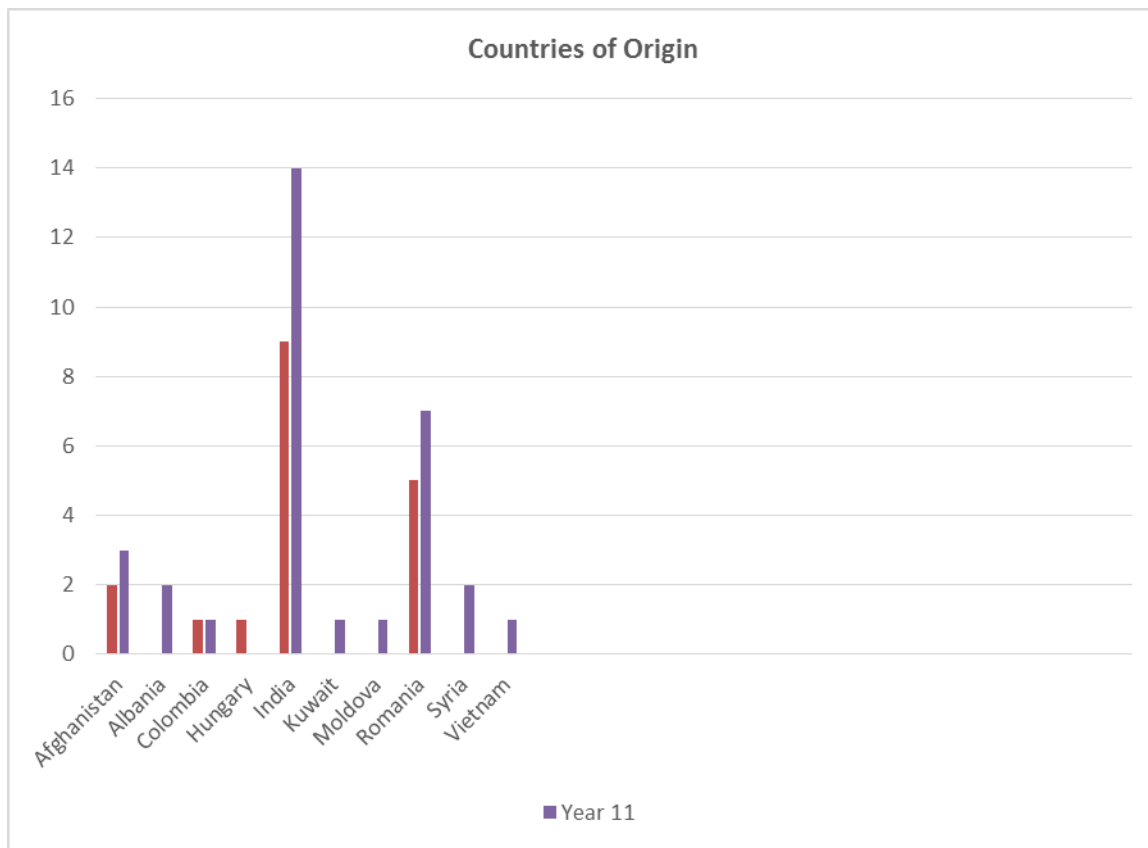
Projects at Claremont School

The Greenway Projects based at Claremont High School in 2014-15 comprised of two cohorts: the Beginners' class which has existed for nine years and the first year of the Core GCSE group. They were based in three classrooms around the school.

Greenway Beginner Class

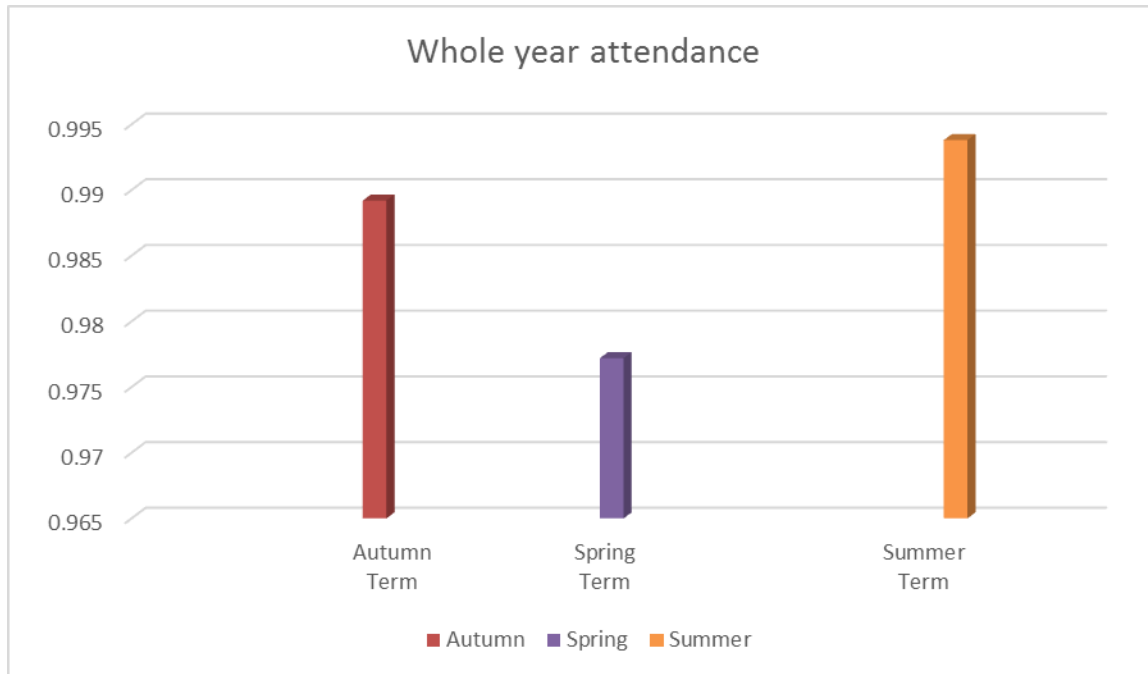
2014-2015 has been another successful year for the class. The teachers were Fay Bryon, Yasmeen Saleem and Nick de Sausmarez. In total this year's cohort comprised of 49 students from 10 different countries but predominantly from India (26 students) and Romania (12 students).

Total number of pupils:	49
Girls (F)	24
Boys (M)	25



15 students moved on during the course of the year to schools within the borough. The curriculum was wide and varied; however, staff focused mainly on teaching English language skills—a mixture of functional and academic English. Maths and Science were also part of the curriculum. Most of the students were Year 11 although there were a few year 10s. All had arrived in the UK within the last twelve months as beginner EAL learners.

Attendance



Progress

All but three of the students made progress by at least a step or level. Seven of the students improved their English by at least three steps and levels. One student jumped four levels. Progress was monitored carefully throughout the year with half-termly tests and other summative forms of assessment. Goals and targets were set based on these assessments.

Length of time students were in Greenway Beginners' Project

Time on the project	Number of students
1 week	2
1 month	4
2-3 months	13

3-6 months	10
6-11 months	18

Progression

The starting levels are in the red rows and the finishing levels in blue

Start level	Step 1	Step 2	Level 1 Threshold	Level 1 Secure	Level 2	Level 3	Level 4
Total no. Of students starting at this level	10	16	12	8	3		
Finish level	Total no. Of students finishing at this level						
Step 1	1						
Step 2	2	1					
Level 1 Threshold	4	7	1				
Level 1 Secure	2	4	2				
Level 2	1	3	7	4			
Level 3		1	2	4	3		
Level 4							

Only three students did not gain a step or level during the time they were with us. One student gained four levels.

Supporting the Needs of Unaccompanied Asylum Seekers and Looked After Children

There were four LAC students in the class last year. PEP meetings were organized and appropriate strategies discussed to cater for these students' educational, social and emotional needs. These needs were integrated into the curriculum where possible and refugee issues were incorporated into the Tricycle curriculum.

Disabled Student

One student who attended the class used a wheelchair and this meant liaising with Brent transport about her travelling arrangements as well as organising trips bearing in mind the need for wheelchair access at all times.

Trips and the Tricycle

During the course of the year many learning trips were organized including visits to the London Transport Museum, Hackney Farm, The Royal Air Force Museum, Greenwich, Kew Gardens and the Tower of London. This enabled the students to practise English in real life situations and allowed them to discover new places of cultural and historic importance. Learning 'in the field' is an important strand of the Project curriculum.

On ten Wednesdays a term the students attended the Tricycle Theatre in Kilburn to learn script writing, film making and drama. This provided students with an excellent opportunity to develop practical skills and practise their English language skills in the process. It also increased their knowledge of UK culture.

External Exams

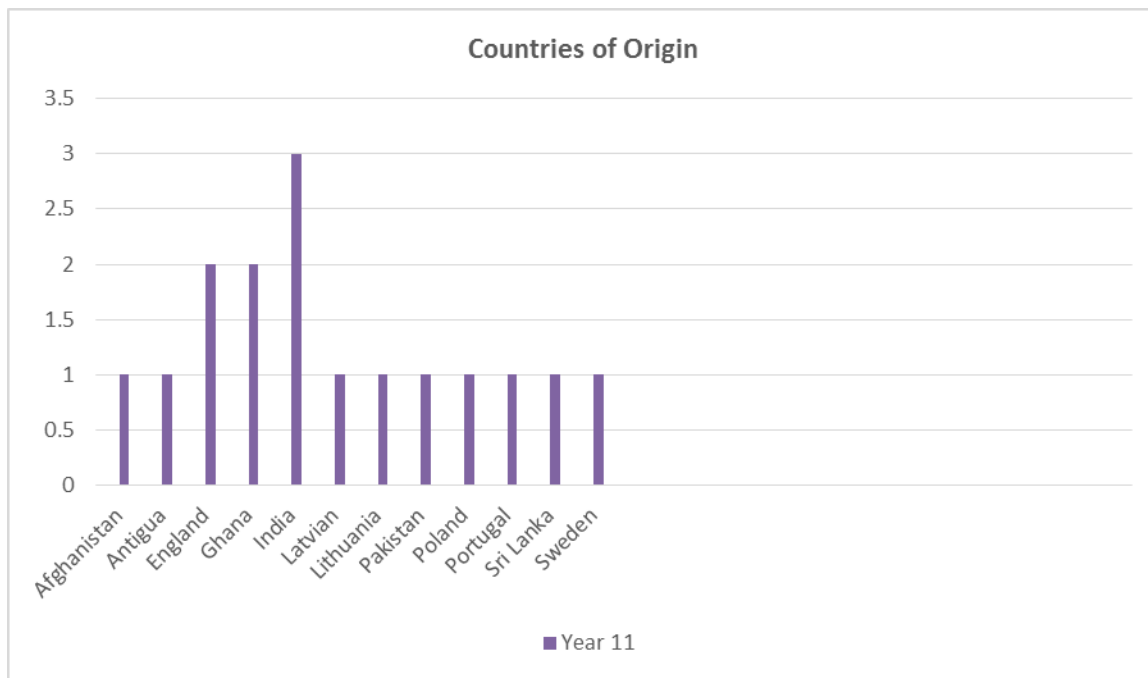
9 students took the AQA ELC exam and achieved an Entry Level 3 grade.

Students have been given a very good start to their academic lives in the UK in a caring and happy atmosphere. The teachers are proud of what the students achieved this year and the progress they made.

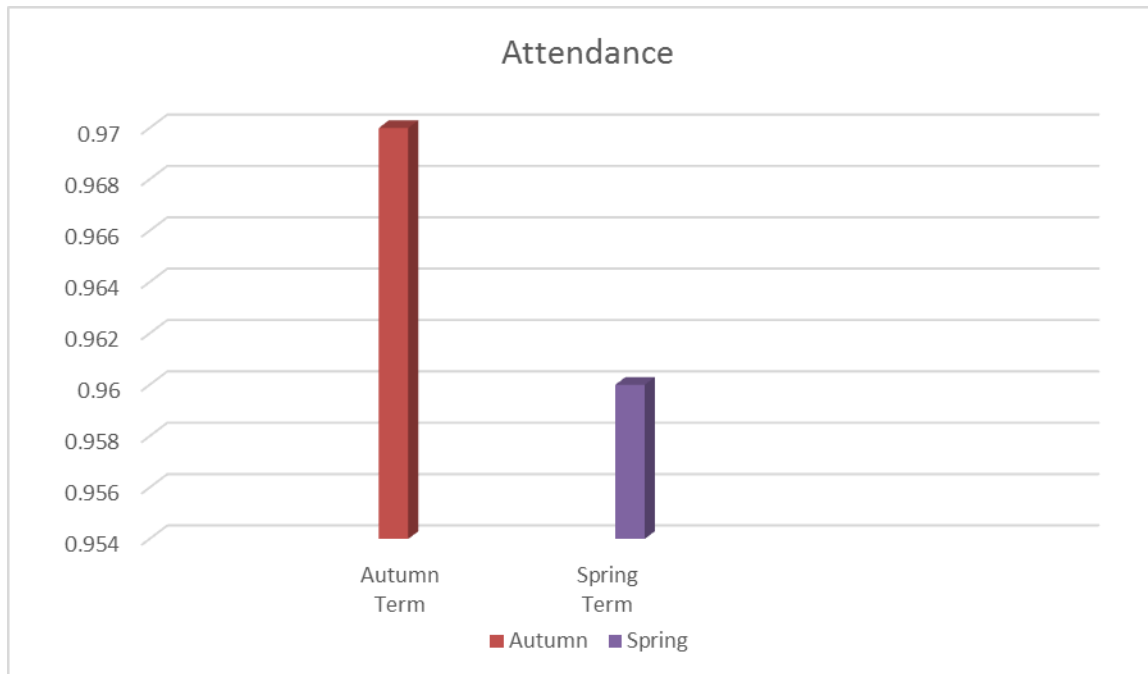
Core GCSE

This is the first year of the Core GCSE project at Claremont High School and it has been a very exciting year. In all we have had 19 students coming from 12 countries.

Total number of pupils:	19
Girls (F)	9
Boys (M)	10



The students have had three main teachers: Nick de Sausmarez taught English, Linda Carey taught Science and Tina Patel taught Maths. Science controlled assessments were completed by the Science department who also taught 3 lessons per fortnight (Ms Samad/Mr Ebanks). Students also attended a number of Performing Arts lessons in which they studied for a Performing Arts award. Performing Arts teachers also taught the drama strand of the English literature IGCSE. 7 students started the course late but nevertheless took the exams. Three of these students were beginner EAL students. Most of the students who started from the beginning of the academic year had an extremely high literacy level in their own languages and a good standard of English before they arrived in the UK.



Core GCSE Curriculum

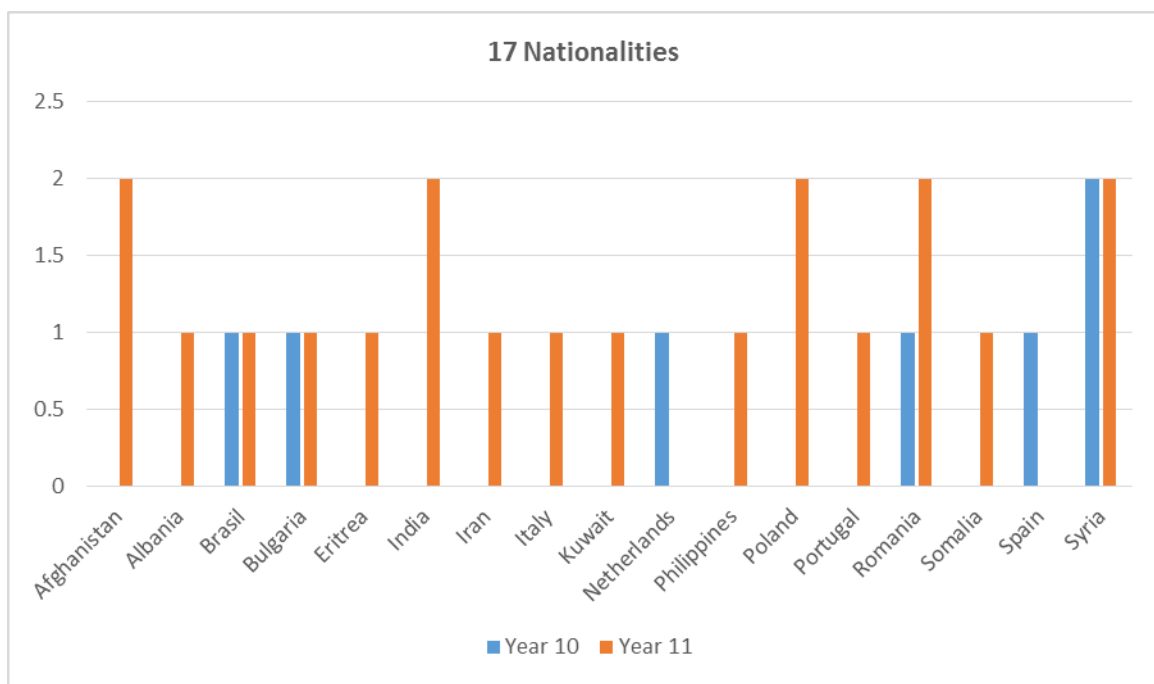
Lessons were based around the 'core' GCSEs: English, Science and Maths. As two year courses were fitted into a tailor-made one academic year curriculum, the syllabus was necessarily very fast-paced. The students adapted very well: two thirds of the students on the course from the start of the year achieved C grades and above in Science and Maths and more than half passed English. Considering that many of the students were beginners when the course began, they did very well. One student achieved 5 A* grades and 7 A grades altogether. 6 students achieved an A in Maths and there were 8 A grades in dual Science and 2 in English. For details of grades, see attachments. Some students also studied for GCSEs in Foreign Languages and Art and were taught by CHS teachers and did well. Students were mostly taught together as a group and attended Year 11 assemblies. They all attended career advice sessions where they were interviewed individually; 13 of the 18 students have moved on to attend Claremont 6th form.

2014-15 was an eventful and successful year in which all of the core GCSE students adapted well to a challenging curriculum in a second or third language. At the end of the year they were able to find places in the 6th form for courses that they wanted to study.

Update on CLC EAL (English as an Additional Language) Cohort 2014-2015

This has been another successful year for the EAL project cohort. The curriculum was full and varied and the lead teachers Marta Kurzawska and Braulio Tenza worked with great success with the students. As you can see from the attached timetable the cohort was able to draw upon the expertise in the school benefitting from a range of lessons and access to QPCS resources. This further enriched the cohorts experience and learning.

Total number of pupils:	30
Girls (F)	12
Boys (M)	18



Monitoring Pupils Progress and Teaching Resources

The CLC EAL Provision Map includes information on the language stage of each EAL pupil and their National Curriculum levels in Maths. The map is being updated regularly to include information on new arrivals, the progress of EAL pupils through the stages of language acquisition and students data including their personal details and background.

A main component of our approach to monitoring the progress of EAL pupils are termly pupil progress reports which are available for students at Beginner/Stage 1 and Stage 2 levels of English

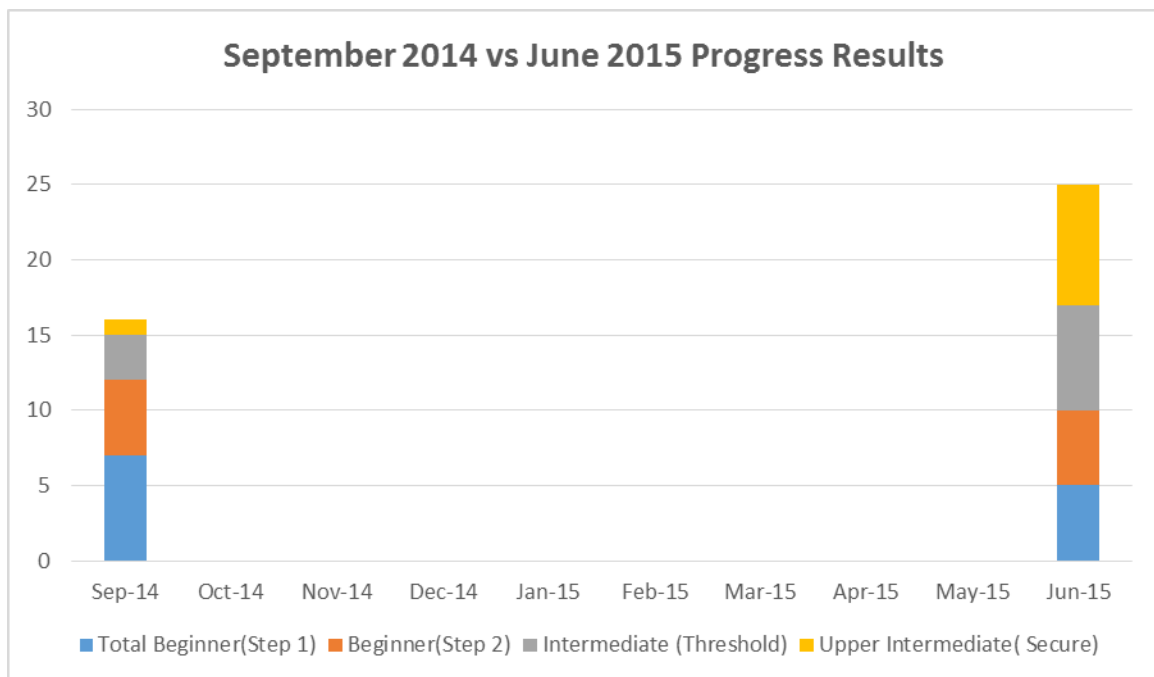
language acquisition. These reports provide language teachers with language targets in the four strands of NASSEA (Northern Association of Support Services for Equality and Achievement) - Listening, Speaking, Reading and Writing. All students are given reading and writing tests. Such information enables teachers to differentiate effectively for each pupil at these language stages. We have also developed Resources area which provides students and teachers with easily accessible resources.

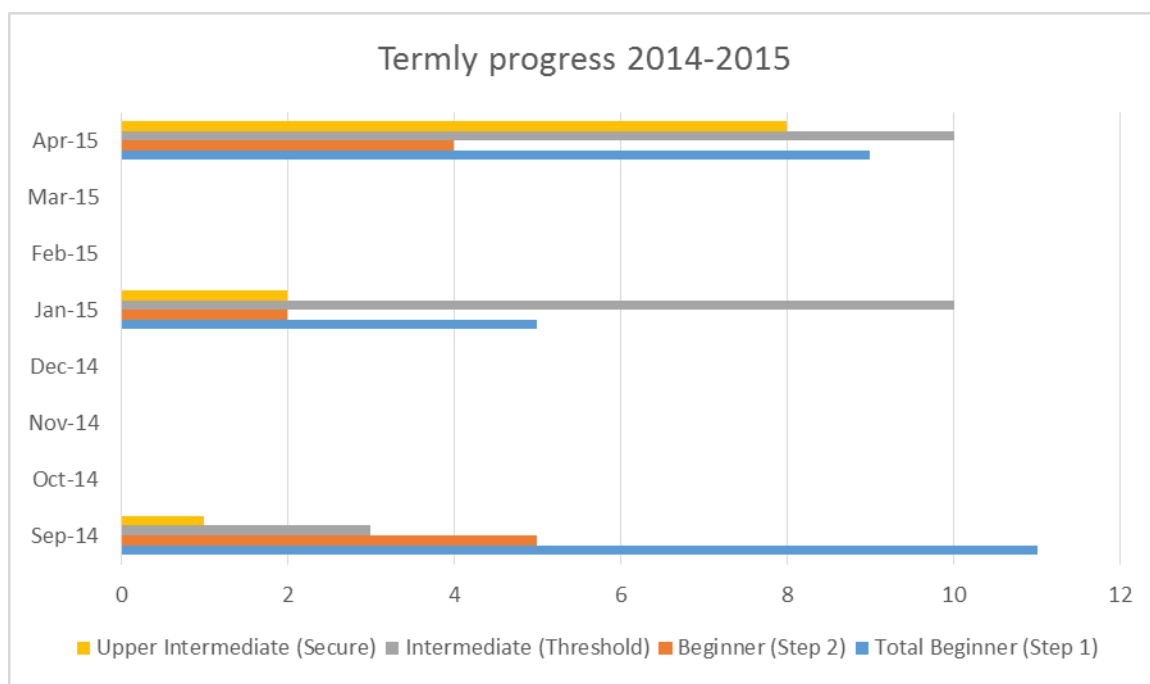
Our admission and inductions procedures incorporate assessment materials which provide present performance level in English and Maths which can be used to generate realistic and achievable target grades. The initial meeting and discussions with parents/carers is a good opportunity for relationships to be established. The interview enables also the parents or carers to appreciate the importance of providing key linguistic and educational information about the child.

EAL Year 10/ Year 11 Support & Feedback

The course continues to be a positive intervention for the whole cohort. Students were supported mainly in class by the class teacher and teaching assistant. The curriculum used was at Step 1 to Level 1 Secure , using the Level Up series and additional resources (interactive activities, worksheets, group and pair work etc.) Sessions are literacy focused combined with fun but also focusing on reading and writing skills with close attention to specific pupil need and progress. Additional reading support is a part of each lesson where understanding is tested by regular comprehension tests.

Feedback from both staff involved in the delivery of the current support and students and/or their parents so far has been very positive. All students have improved their level but also their learning confidence increased immensely.





KET/PET Exams

In May/June students are entered for Cambridge KET/PET Exams depending on their level of English. Specially designed 8 weeks course has been implemented for those students to practise followed by KET/PET Mock Exam in the school in first instance. Next, all the necessary arrangements are made by our school Exams Officer and the exam is being taken at Kaplan Exam Centre.

Library

Our EAL Library Scheme is up and running and is motivating a number of students to read.

The EAL Homework and PE Club

The homework club continues to run on Wednesdays attracting pupils who need support in different curriculum areas as well as others who want to focus on developing their literacy. Some of the students play football in the mainstream school.

Tricycle Theatre "Minding the Gap Project"

Through *Minding the Gap*, young refugees, asylum seekers and migrants not yet in mainstream education, use drama, and theatre-making to explore culture and tradition. The supportive environment of the rehearsal studio, designed for making mistakes and improvising situations, provides students with the perfect opportunity to develop their spoken and written English and address the emotional issues associated with transition and migration. Workshops focus on drama games and exercises, theatre-making skills, filmmaking and playwriting. Working collaboratively over a whole year, the project brings together the creative energies of over 200 young people, to create a performance at the Tricycle in the spring and a short film to be screened in the Tricycle cinema in the summer.

The students have said that they enjoyed most of the activities at Tricycle but especially games and performing on the stage as it gave them a real life experience of what acting is like.

Generally all the activities enhanced their verbal and nonverbal expression of ideas. They have improved their voice projection, articulation of words, and fluency with language, listening and other skills by playing drama, rehearsing and performing. Rehearsing, in particular, and performing words and cues strengthen their memory a lot. This cooperative process, combining the creative ideas and abilities of its participants, not only included discussing and negotiating but acting roles from different situations, time periods and culture, promoted their compassion and tolerance for others' feelings and viewpoints.

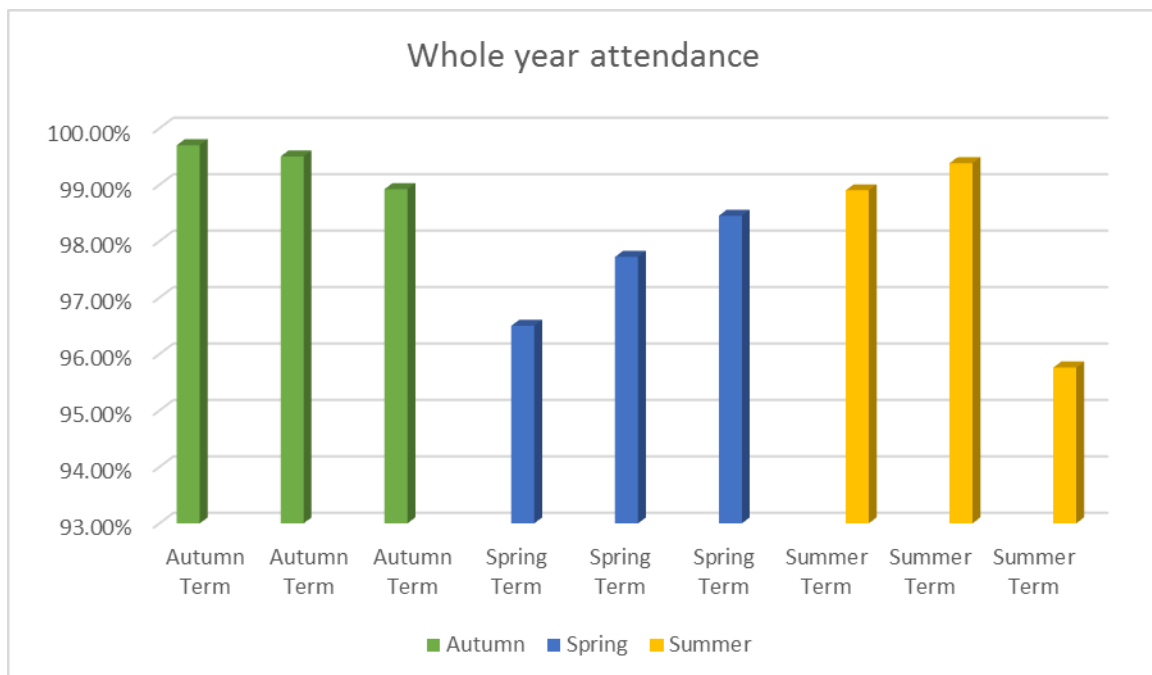
They have learnt how to communicate the who, what, where and why to the audience which leads to great adaptability in life. Pretend play and drama games allowed students to express a range of emotions reducing antisocial behaviours and stress. The process of moving from ideas to actions to performance taught them the value of practice. And last but not least, drama itself brought play, humour, fun and laughter to learning and the social interaction developed trust in self, others, their ideas and abilities.

Trips

As part of the educational programme at the CLC Project we take the group on visits. For example, we went to Museum of London, Natural History Museum, Winter Wonderland, or our end of the year trip, Thorpe Park Resort. The visits support the wide curriculum that we have developed to ensure that the group are ready to join Key Stage 3 and 4. All children are required to attend educational visits.

Summary of Attendance

Students are expected to attend all scheduled classes. Attendance is registered on a daily basis twice a day- in the morning registration and in the afternoon registration (after Break 2). A staff member notifies by telephone the parent/person in parental relation of the student's absence.



Behaviour intervention including Exclusions report

Our approach to behaviour this year has been through social, emotional, aspects of learning (SEAL) and behaviour for learning (B4L). This approach encourages all staff at all levels to take responsibility for the behaviour management of students. Individual students causing problems which affected individual lessons were managed by staff providing appropriate level of intervention i.e. isolation and/or time out. None of the students were excluded.

Supporting the Needs of Unaccompanied Asylum Seekers and Looked After Children

We were working with unaccompanied asylum seeking pupils with a multi-agency team Social Services including the Fostering Network, Virtual School and designated teachers for Looked After Children. There were 4 LAC children last academic year supported by the school LAC Coordinator. Provisions for these students has involved extensive working with the Local Authority teams and carers including attending PEP meetings.

Progression

Based on their June choices info:

NCC- 12 students

CNWL- 13 students

Harrow High School- 1 students

Wembley Technology College- 1 student

N/A- 3 students (left & did not come back to UK)

Summary

The final show at the Tricycle Theatre and the Cultural Celebration evening at the school demonstrate the fantastic work that goes on with this cohort and how well the students progress in our KS4 centre. The way in which the students contribute to the EAL Language and Cultural evening is genuinely moving and clearly means a great deal to the students and families. There are clear targets for the group including working in collaboration with other Brent centres under the guidance of Beth Ragheb. The project is very much a KS4 project and has had an excellent year.



Brent

SCHOOLS FORUM

2 December 2015

Report from the Strategic Director of Children and Young People

For Consultation

6. Schools Financial Regulations Review 2015-16

1.0 SUMMARY/INTRODUCTION

- 1.1 This report details the changes to be implemented to the Schools Financial Regulations following consultation with Brent maintained schools, and will become effective after formal comment at Schools Forum.

2.0 RECOMMENDATIONS

- 2.1 The Schools Forum is being formally consulted on the following:
- a. Schools Financial Regulations 2015-16.
open to formal comment from all maintained school members.

3.0 BACKGROUND

- 3.1 Local Authorities are required to publish schemes for financing schools which clearly set out the financial relationship between the Local Authority and the schools that they maintain.
- 3.2 The Scheme for Financing Schools is a statutory document which sets out the financial relationship between the local authority and the schools it maintains. The local authority is required to review this annually and gain the approval of Schools Forum before implementing any changes. In September 2015 Forum members were requested to approve the changes for 2015-16 and voted to do so.
- 3.3 The Schools Financial Regulations is a supplementary document which provides more detailed guidance and specifies the procedures and control measures that must be implemented by schools to prevent financial risk and ensure accountability for public funds. It also sets out the responsibilities of the LA in relation to maintained schools, and of the Governing Body and Head Teachers to which funding has been delegated. Schools Forum are formally consulted on any changes although it is the local authority who need to agree any changes proposed by schools.

3.4 At the September 2015 Schools Forum, officers were asked to review the existing regulations and report back to the December Schools Forum. It was agreed to set up a working task group made up of key officers and a cross-section of head teachers, to enable the review.

4.0 DETAIL

4.1 Headteachers and Chairs of Governors were invited to provide written comments and to attend a review meeting on 11th November. This meeting was attended by senior officers and the following school representatives:

- Rose Ashton, Head Teacher – Chalkhill Primary School;
- Lesley Benson, Head Teacher – Granville Plus Primary School;
- Helga Gladbaum, Governor – Roe Green Junior School;
- Sylvie Libson, Executive Head Teacher – Oakington Manor & Furness Primary Schools;
- Jo Jhally, Chair of Governors – Oakington Manor & Furness Primary Schools.

4.2 The regulations have been set in line with national regulations, with some elements of local regulation or local discretion. Only elements that are subject to local discretion could be considered for modification or removal as appropriate.

4.3 As a result of this meeting a number of amendments and deletions were agreed.

4.4 The revised Schools Financial Regulations attached as Appendix A to this report, is a reflection of the actions agreed at the review meeting. A summary of the changes is attached as Appendix B.

4.5 It was also agreed to produce an FAQ document that will provide further clarity to schools where items could not be changed, or were not previously fully understood. This is currently being produced and will be released to schools in December.

5.0 APPENDICES

- A. Schools Financial Regulations 2015-16 (Revised November 2015)
- B. Summary of Agreed Changes

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SCHEME FOR FINANCING SCHOOLS:

SCHOOLS FINANCIAL REGULATIONS

2015-16

CONTENTS

(Updated November 2015)

This contents page is hyperlinked; therefore click on the relevant heading to go to that section.

A. Introduction

- A.1 What These Regulations Cover
- A.2 Application of These Regulations
- A.3 Responsibilities
- A.4 Application of Changes
- A.5 Other Guidance

B. Budget Management

- B.1 The Importance of Effective Budget Management
- B.2 Budgetary Role
- B.3 Setting the Budget
- B.4 Monetary Limits
- B.5 Budget Virements
- B.6 Budget Monitoring
- B.7 Budget Control
- B.8 Budget Overspends
- B.9 Budget Underspends
- B.10 Withdrawal of Delegation

C. Leasing, Loans & Financial Arrangements

- C.1 General Requirements
- C.2 Leasing
- C.3 Loans
- C.4 Credit Cards and Other Financial Arrangements

D. Accounting Responsibilities

- D.1 Accounting Systems and Procedures
- D.2 Accounting Policies
- D.3 Accounting Records
- D.4 Final Accounts – Year End Requirements

E. Income and Expenditure Controls

Income

- E.1 Income – General
- E.2 Income – Bad Debts/Write Offs

Expenditure

- E.3 Expenditure – General
- E.4 Expenditure – Orders
- E.5 Expenditure – Paying Invoices
- E.6 Expenditure – Payroll
- E.7 Expenditure – Petty Cash
- E.8 Expenditure – Capital

Income & Expenditure

- E.9 Taxation

CONTENTS

(Updated November 2015)

This contents page is hyperlinked; therefore click on the relevant heading to go to that section.

F. Risk Management and Control of Resources

- F.1 Risk Management and Insurance
- F.2 Internal Controls
- F.3 Schools Financial Value Standard (SFVS)
- F.4 Audit Requirements
- F.5 Financial Irregularities
- F.6 Money and Banking
- F.7 Property, Stock and Equipment
- F.8 Sale of Assets

G. Procurement and Contracts

H. Investments and Trust Funds

I. Custody of Third Party Property

J. Estates

K. Retention of Documents

L. Non-Official Funds

M. Information Systems

ANNEX A: **List of Maintained Schools**
(to which this scheme applies as at December 2015)

A. INTRODUCTION

A.1 What These Regulations Cover

- A.1.1 These regulations form part of the Scheme of Delegation, and apply to all schools that have a delegated budget under the School Standards and Framework Act 1998. These regulations supplement the Brent Scheme for Financing Schools, s.43 – 53 of the School Standards and Framework Act 1998 and s. 14 to the Act as approved by the Secretary of State. It also ensures that schools comply with the requirements of s.151 of the Local Government Act 1972, Contract Procedure Rules, and the Accounts and Audit Regulations.
- A.1.2 The objective of these regulations is to specify a number of procedures and key control measures which ensure the public accountability and high standards of financial integrity to be exercised in the use of public funds and in reducing financial risk.
- A.1.3 The regulations therefore cover the following fundamental areas of financial management and control:
- Setting, monitoring and controlling the revenue budget;
 - Accounting responsibilities;
 - Income and Expenditure controls;
 - Risk management and control of resources;
 - Procurement;
 - Retention of documents.
- A.1.4 The regulations also identify the responsibilities of the Chief Finance Officer, Governing Bodies, Head Teachers and all relevant staff in schools. The Chief Finance Officer's responsibilities in relation to schools are mainly exercised through the Schools Finance Team. The Schools Finance Team is therefore the first and primary point of contact on all financial matters.
- A.1.5 For the purposes of this document, the Chief Finance Officer is the officer appointed by the LA in accordance with s.151 of the Local Government Act 1972.

A.2 Application of These Regulations

- A.2.1 These regulations must be followed by all Governing Bodies and school officers of schools maintained by Brent, whether they are directly employed, contracted, employed through an agency or volunteer in their conduct of financial and related matters.
- A.2.2 Failure to comply with these regulations may constitute misconduct and lead to formal disciplinary action.

A.2.3 A list of schools maintained by Brent at September 2015, and therefore covered by these regulations, is included in Annex A.

A.3 Responsibilities

A.3.1 The following describes the overall framework and the main roles and responsibilities in respect of these regulations. This is not an exhaustive list and there are also likely to be some overlap in roles. Ultimately all Governing Bodies and school officers are responsible for complying with all regulations.

A.3.2 In discharging their duties and responsibilities all school officers must comply with Brent's Scheme for Financing Schools and any associated regulations including these, and where appropriate financial procedures and standing orders. Where there is inconsistency between these, the relevant Acts shall prevail.

A.3.3 Under the Scheme of Financing Schools, schools do not have any power to borrow money, including no power to enter into any type of lease purchase arrangements.

A.3.4 The Chief Finance Officer:

- is the responsible officer for the proper administration of the financial affairs of the LA under s.151 of the Local Government Act 1972;
- is required to approve all accounting procedures, systems and records of the LA, including schools, under his s.151 duties and the Accounts and Audit Regulations;
- is therefore responsible for reviewing these regulations and reporting any breaches to the Cabinet or Full Council;
- puts in place financial standards and practices across the LA, including schools, to deliver a framework for financial control, provide accurate, timely and consistent monitoring information, and sound advice on financial decisions to be made by officers and members;
- has the right to attend (or a delegated officer) any meeting of a Governing Body to provide advice or report on major financial matters which in his opinion affects the probity and regularity of the LA's financial activities.

The Chief Finance Officer's statutory responsibility for the administration of the LA's affairs cannot be overridden by anything in a Scheme of Delegation or in any set of financial procedures.

Further details of roles and responsibilities are set out in Part 4 of the Constitution <http://www.brent.gov.uk/your-LA/about-brent-LA/LA-structure-and-how-we-work/our-constitution/>

A.3.5 Other Officers

A.3.5.1 The Schools Finance Team:

- is the main point of contact for all financial matters;
- collates financial information;
- monitors implementation of the financial control framework;
- supports the Governing Body, Head Teachers and school finance officers in their financial responsibilities; and
- provides assurance to the Chief Finance Officer, Strategic Director of Children & Young People and Members that adequate controls exist to produce sound financial administration.

A.3.5.2 The Audit & Investigations Service:

- provides the LA's internal audit function and anti-fraud services;
- assists the Chief Finance Officer and Strategic Director of Children & Young People to discharge their statutory duties;
- provides Head Teachers with advice and guidance on the system of internal control;
- is responsible for investigations into financial irregularities across all LA services, including schools.

A.3.6 Governing Bodies:

- are responsible for the overall financial management of delegated school budgets. Although some powers can be delegated to Head Teachers with formal approval, the Governing Body will retain overall responsibility for any actions taken;
- must maintain a written record where their powers have been delegated to members of staff;
- shall provide the LA with any reasonable information for the effective discharge of the LA duties and responsibilities;
- should ensure that all existing and new employees of the school are informed of their responsibilities under financial regulations and are familiar with these documents;
- should ensure that all financial regulations or contracts and award procedures are followed by everyone in the school;
- should ensure that relevant records are maintained and retained;
- must consult with the Chief Finance Officer on any matter which is liable to materially affect the finances of the LA, before any provisional or other commitment is incurred or a bid for external funding is made;
- are responsible for securing value for money and compliance with the principles of best value in relation to their activities.

A.3.7 Head Teachers:

- must ensure that their school promotes, enacts and monitors adherence to the necessary financial control framework and keeps spending within budget, indicating where necessary, conflicts between current service policy and plans and resource allocation;
- are required to keep accurate financial records, comply with the financial control framework and take timely action to keep spend within budget.

The Governing Body may delegate some of its powers to Head Teachers, but the Governing Body shall retain responsibility for the actions. Many of the requirements of the Governing Body within these regulations may therefore apply to Head Teachers instead, where the relevant powers have been delegated to them.

A.3.8 Schools' Finance Officers:

- collate the financial information about their school;
- provide financial advice to the Governing Body and the Head Teacher of their school;
- provide financial information to the Schools Finance Team;
- support Head Teachers in their financial responsibilities;
- help to implement the financial control framework;
- ensure sound financial administrative systems are in place.

In practice this may be a School Business Manager, Bursar or Finance Officer.

A.4 Application of Changes

A.4.1 Changes to these regulations may be necessary from time to time to ensure relevance and consistency with the Financial Procedure Rules in the context of a school environment. Any changes required will be in line with national and local regulations and will only be implemented after:

- the agreement of the Chief Finance Officer and the Strategic Director of Children & Young People;
- consultation with the Schools Forum.

A.5 Other Guidance

A.5.1 These regulations are supplemented by, and should be read in conjunction with:

- Technical Standards setting out more detailed requirements for financial arrangements, which may change from time to time;
- Guidance notes on financial management practice which may be issued periodically by the Chief Finance Officer or delegated officers – usually by the Schools Finance Team;
- Schools Finance Manual;
- Budget Preparation Guidelines issued annually;
- Schools Closing Guidance issued annually;
- The Scheme for Financing Schools updated annually.

B. BUDGET MANAGEMENT

A Budget is the numerical representation of an action plan for a specified time period. In the context of a school, this is a numerical statement of the school's development plan (SDP) – a numerical statement of the school's policy, aims, objectives and strategies in financial terms.

B.1 The Importance of Effective Budget Management

B.1.1 Budget management ensures that resources are used for their intended purposes and that these resources are properly accounted for. Each school is expected to manage their own expenditure within the budget allocated to them to ensure that the school does not overspend against this. Regular reporting of income and expenditure against approved budgets ensures that governors are aware of, and highlights situations where, any actions may be required to ensure spending remains within the budget allocation.

B.2 Budgetary Role

B.2.1 The Governing Body shall be responsible for approving a 3 year budget each year and ensuring that the budget plan is a numerical reflection of the school's SDP and fully reflects the estimated effect of pupil changes and any development decisions.

B.2.2 The Governing Body shall be responsible for reporting without delay to the Schools Finance Team where it appears that the total budget for the school may be exceeded, and taking appropriate action to bring the budget back into balance.

B.2.3 The Head Teacher shall be responsible for maintaining a proper system of budgetary control and preparing all estimates for submission to the Governing Body, Chief Finance Officer and Strategic Director of Children & Young People. These functions shall be discharged in accordance with any guidelines or Codes of Practice issued from time to time by the Chief Finance Officer and the Strategic Director of Children & Young People.

B.2.4 Neither the Governing Body, an individual Governor, nor the Head Teacher shall commit the school to any expenditure for which there is not sufficient budget provision or which will cause an overall budget deficit.

B.3 Setting the Budget

The budget is the school's SDP in numerical form and therefore should be a reflection of the school's policies, aims and actions to be implemented in the duration of the budget period.

B.3.1 Each school shall be given a budget share calculated in accordance with the formula for funding schools, before the beginning of the financial year.

- B.3.2 The 3 year budget shall be proposed by the Head Teacher and agreed and set by the Governing Body. Budgets must be produced in accordance with the Budget Preparation Guidelines issued annually. The format for submission of the 3 year budget plan and the requirements for supporting documents and evidence of approval are also provided annually at the same time and schools must also comply with these. The Governing Body is not permitted to set a budget which plans for a cumulative deficit at the end of any of the financial years, except where the LA has authorised such a budget.
- B.3.3 The Head Teacher shall submit the approved budget to the Schools Finance Team by 1st June each year, along with the required supporting documents and evidence of approval. Any extension to the deadline can only be granted in exceptional circumstances because of particular difficulties.
- B.3.4 The school's Finance Officer shall enter the approved submitted budget plan on to the school's computerised financial system within a month of its approval, and ensure that the budget is locked on the system. This will allow an audit trail for any changes made during the year, which should be appropriately approved and documented. It is accepted that this budget will be the best known estimate at the time of setting and will therefore be subject to change – any changes on the system will create an audit trail which should be backed up by minutes to governing body meetings approving the changes.

B.4 Monetary Limits

The monetary limit of a school is the amount of money available to spend.

- B.4.1 The inclusion of money in the school's budget approved by the Governing Body shall authorise the Head Teacher to spend up to that sum plus any available school balance brought forward from previous years. The Head Teacher is not authorised to exceed the approved budget.
- B.4.2 Each Head Teacher shall deliver the curriculum and other school services within the resources agreed.

B.5 Budget Virements

A virement is the transfer of funds from one budget line to another. It is an administrative exercise that provides a degree of flexibility in spending a school's budget, and allows for changing circumstances and/or unexpected developments.

- B.5.1 The Governing Body may agree to transfer resources between budgets but are reminded that resources cannot be transferred from capital to revenue due to accounting conventions. Any transfer or resources between budgets should have a clear rationale, and should be taken into account for forecasting and future year's budget-setting.

- B.5.2 The Governing Body is advised to establish appropriate criteria for virements and financial limits in their Schemes of Delegation, above which the approval of the Governing Body is required. Any such decisions should be recorded in the Governing Body minutes.
- B.5.3 Where additional funds have been allocated to a school for a specific purpose, they shall only be used for that purpose.

B.6 Budget Monitoring

Budget Monitoring is the examining of the school's monthly spend and income against the budget that has been set.

It is important that schools undertake regular budget monitoring, as this:

- *is essential for effective financial management;*
- *allows Governing Bodies and Head Teachers to maintain financial control by reviewing the current position and taking any remedial action necessary;*
- *is a requirement under the Schools Financial Value Standards (SFVS);*
- *enables reasons for significant variances to be established/investigated and reported;*
- *may highlight forecasted overspends and ensure that senior management are able to decide upon a course of action and reassess priorities in the SDP where necessary.*

- B.6.1 Once a budget is agreed, the Governing Body and subject to the school's Scheme of Delegation, the Head Teacher and other staff, must ensure that it is strictly monitored.
- B.6.2 The Governing Body shall agree school performance measures linked to the school development plan (SDP) and review progress and outcomes for the resources allocated. It is good practice for the SDP to be fully costed, and the Governing Body should review such costs against the impact.
- B.6.3 The Governing Body and the Head Teacher must be able to demonstrate that the budgets devolved to the school have been spent on the purposes for which they were delegated.
- B.6.4 The Head Teacher shall provide quarterly budget monitoring returns to the Schools Finance Team in the format requested. These returns must have been reviewed and signed by the Head Teacher and shall clearly show the income and expenditure to date against the approved budget, and a forecasted year end position. For schools that are in deficit, budget monitoring reports shall be submitted to the Schools Finance Team monthly.
- B.6.5 Although budget monitoring returns are required quarterly to the Schools Finance Team, schools are strongly advised that these should be completed and reviewed and signed by the Head Teacher at least monthly. These should also be submitted to the Governing Body or a sub-committee of the Governing Body, at least termly or

half-termly. The format and frequency of submission to the Governing Body shall be determined by the Governing Body, but must clearly show the necessary full year forecasts to facilitate decisions.

- B.6.6 The Head Teacher shall submit a monthly FIN1 return (bank reconciliation) to Schools Finance Team in the format requested. These returns provide assurance that appropriate banking controls are in place, and must be reviewed and signed by the Head Teacher in a timely manner. All supporting/backing documents must be submitted to the Schools Finance Team at the same time as the return.

B.7 Budget Control

Budget control is a continual process enabling the school to review and adjust its budget plans during the financial year. It also provides a mechanism to hold budget holders accountable for defined elements of the budget. By identifying and explaining variances against budgetary targets, the school can identify changes in resource requirements at the earliest opportunity.

The key controls for managing and controlling the revenue budget are:

- All elements of budgeted expenditure and income are allocated to a named budget holder;*
- Budget holders accept accountability for their budget allocations and the level of service to be delivered;*
- Budget holders adhere to the approved procedures for the ordering and certifying for payment the purchase of goods and services used in the provision of their service and for the collection of income;*
- Income and expenditure is completely, accurately and promptly recorded and accounted for;*
- Service delivery performance levels are monitored in conjunction with financial performance and that necessary action is taken to align service outputs and budget resources.*

- B.7.1 Each Governing Body shall be responsible for maintaining a proper system of budgetary control.
- B.7.2 Strict financial discipline must be maintained and once decisions have been made on the budget for a year, the Head Teacher must seek to ensure that the budget plan is met.
- B.7.3 The Governing Body shall make arrangement to ensure that significant variances from approved budgets are investigated and reported by Head Teachers regularly.
- B.7.4 Each Governing Body shall determine the extent of powers that are to be delegated to the Head Teacher in respect of financial delegation.
- B.7.5 The Governing Body and Head Teacher must complete the DfE's Schools Financial Value Standard (SFVS) and submit to the Schools Finance Team by 31st March each year.

B.8 Budget Overspends

An overspend occurs when the school has spent more than is available to spend. An overspend may occur on individual budget heads.

- B.8.1 Overspends in school budgets are not acceptable. An overspend must be dealt with by decisive action of some kind, even if this means changing policy, service levels, and staffing levels.
- B.8.2 The Governing Body and the Head Teacher shall take responsibility for their school budgets and shall examine their own capacity to fund new proposals or overspends.
- B.8.3 Each Head Teacher must notify the Schools Finance Team immediately if it appears that their overall budget is likely to overspend because approved expenditure is forecasted to be exceeded or income will not be achieved.
- B.8.4 The Head Teacher will need to detail the action being proposed to rectify the overspend. This shall include specific and costed proposals, and any service implications must be fully stated. If details are not provided, then the action will not be regarded as satisfactory by the Chief Finance Officer or the Strategic Director of Children & Young People.
- B.8.5 Each Governing Body shall ensure that their school does not have a deficit balance except in exceptional circumstances with prior permission through a licensed deficit approval. This process is detailed in the Licensed Deficit Policy. The Governing Body shall ensure that any deficit balance at the year end is carried forward to the new financial year and taken into account in spending plans.

B.9 Budget Underspends

An underspend occurs when a school doesn't use all the resources available for the school.

- B.9.1 Schools shall carry forward any unspent balance of their budget share at the year end.
- B.9.2 The Governing Body shall monitor underspends carefully to ensure that the funds available to spend are being used effectively towards the educational outcomes of pupils.

B.10 Withdrawal of Delegation

The Governing Body of a school has delegated powers in relation to schools finances. This means that although these funds are owned by the LA, the responsibility for looking after these funds appropriately falls to the Governing Body. Withdrawal of Delegation means that the LA withdraws the powers from a

Governing Body to look after these funds, and takes control of the school's finances.

- B.10.1 Where a school has a delegated budget, the Strategic Director of Children & Young People and the Chief Finance Officer retains the right to suspend delegation, giving one month's notice, where it is considered that the Governing Body:
- has substantially or persistently failed to comply with any requirements of the borough's Scheme for Financing Schools;
 - is not managing the expenditure satisfactorily.
- B.10.2 Financial delegation shall be withdrawn immediately in the event of gross mismanagement of school resources on the part of the Governing Body and/or Head Teacher.
- B.10.3 Where financial delegation has been withdrawn, this shall be reviewed annually.

C. LEASING, LOANS & FINANCIAL ARRANGEMENTS

C.1 General Requirements

- C.1.1 In order to ensure compliance with the prudential framework, the Governing Body may not enter into any leasing agreements or any other loan or financing arrangements for the acquisition of property, vehicles, plant or equipment without the prior written consent of the Chief Finance Officer.
- C.1.2 The Governing Body may not borrow money without the written permission of the Secretary of State. The LA must be notified in advance by any school of its intention to make such an application.
- C.1.3 This however does not fully apply to trusts and foundations provided that these debts are not serviced from the school's delegated budgets. In this instance, the Governing Body is not acting as an agent of the LA in repaying these debts.

C.2 Leasing

A lease is a contract where a party being the owner of an asset (lessor), provides the asset for use to a school through a rental agreement for a defined period of time.

A finance lease is a leasing contract in which the school takes ownership of the asset and is responsible for all maintenance and insurance, but pays for the asset over a period of time. This is effectively a borrowing agreement.

An operating lease is a leasing contract in which the ownership for an asset remains with the lessor and they remain responsible for maintenance, insurance and repairs. This is effectively a rental agreement.

- C.2.1 The Governing Body shall not legally enter into any finance leasing arrangement, as this would constitute borrowing.
- C.2.2 The Governing Body may enter into operating leases only with the written permission of the Chief Finance Officer. Any such requests must be made in the first instance to the Schools Finance Team who will make the appropriate approval request from the relevant delegated officer.
- C.2.3 The Governing Body must take the relevant due diligence before submitting to the Schools Finance Team for approval. Any application to enter into a leasing agreement shall be approved by the Governing Body. The Governing Body shall firstly satisfy itself that the Schools Contract Procedure Rules have been fully complied with and that the proposed leasing agreement represents value for money.

C.3 Loans

A loan is a form of borrowing, usually cash. This is usually repaid over a period of time, subject to interest.

- C.3.1 The Governing Body cannot legally enter into any type of external loan agreement.
- C.3.2 This provision however does not apply to loan schemes that have been approved by the Secretary of State. Currently only the Salix loan scheme has such approval.
- C.3.3 This provision also does not apply to loan schemes run by the LA, such as licensed deficits and capital loans.

C.4 Credit Cards and Other Financial Arrangements

A credit card is a card authorising purchases on credit, chargeable at a predetermined interest rate.

An overdraft is an amount that can be spent when there are no funds available in a bank account, and therefore constitutes a form of borrowing.

A procurement card is similar to a debit card, allowing schools to make purchases against funds within a bank account.

- C.4.1 The restriction on borrowing also includes the use of overdraft facilities and credit cards.
- C.4.2 School bank accounts are not permitted to go overdrawn at any time, and overdraft facilities may not be negotiated. Where schools are experiencing cashflow difficulties, schools should refer the Cash Advance Policy.
- C.4.3 The Governing Body is encouraged to use procurement cards as an alternative means of facilitating electronic purchasing, and to allow schools to benefit from significant discounts. Procurement cards should be used and monitored in the same manner as debit cards - refer to section *F.6: Money and Banking* for further details on compliance.

D. ACCOUNTING RESPONSIBILITIES

Proper accounting records are one of the ways in which the LA discharges its responsibility of stewardship of public resources. The LA has a statutory responsibility to prepare its annual accounts to present fairly its operations during the year.

D.1 Accounting Systems and Procedures

- D.1.1 The Governing Body is free to use any accounting software they choose, providing they can produce reports in the format required by the LA and other agencies.
- D.1.2 Where the Governing Body plans to change the financial system in use, the Governing Body is required to inform the Schools Finance Team of the change. Schools are strongly advised to only change systems at the beginning of a financial year and to consult with the Schools Finance Team and Audit and Investigations Service prior to implementation.
- D.1.3 Each Governing Body shall establish a scheme of authorisation identifying officers authorised to act on their behalf with respect to payments, income collection and placing of orders, showing limits to their authority.
- D.1.4 The Governing Body shall regularly review their accounting systems to ensure that they report outputs in a timely, accurate, clear and convenient manner which is readily understood by users.
- D.1.5 The Governing Body shall be responsible for ensuring that officers involved in operating accounting systems and undertaking financial procedures receive proper assessment of their financial skills and learning and development needs. This will ensure that the school is not exposed to any administrative or financial risk due to insufficient training or skills, or in the event of the absence of key staff.
- D.1.6 The Governing Body shall ensure all funds are properly accounted for and are only spent on the purposes for which they were established.

D.2 Accounting Policies

- D.2.1 The Chief Finance Officer is responsible for determining the LA's accounting policies. Each Governing Body and Head Teacher, subject to delegation, is responsible for ensuring that these policies are adhered to and applied consistently in the school's accounts.
- D.2.2 All accounting policies shall ensure that:
- accounts are a fair presentation of the school's financial position and the transactions in respect of that financial year;
 - income and expenditure relate to the services provided in the same financial year, and that provision is made for income and expenditure earned/used irrespective of when the amounts are actually paid or received;

- accounts are prepared on a prudent basis with income only being included to the extent that it is likely to be received, and that proper allowance is made for all known liabilities and losses.

D.2.3 The Schools Finance Team will prepare and issue to all schools annually a Budget Preparation Guidelines and Schools Closing Guidance which will detail all year end reporting requirements as specified by the Chief Finance Officer and the Strategic Director of Children & Young People. Each Governing Body is responsible for ensuring compliance with these.

D.2.4 Other accounting and financial guidance will be issued from time to time as required via circulars on the Schools Extranet. Each Governing Body and Head Teacher must ensure that they access and act on these documents.

D.3 Accounting Records

D.3.1 The Governing Body are required to maintain and securely hold complete and accurate accounting records of all the financial transactions under their control, and ensure that there is a audit trail leading from income/expenditure through to the accounting statements.

D.3.2 The Governing Body shall ensure that VAT, Income Tax and other statutory additions and deductions are properly calculated and accounted for on all transactions where appropriate, and must supply the LA with such details of statutory additions/deductions as are required to meet the appropriate accounting requirements and enable the submission of statutory returns.

D.3.3 The Governing Body shall ensure that all journal entries (adjustments to the accounts) are properly documented to incorporate adequate explanatory narrative and are cross-referenced to proper working papers. These should be signed by the originator.

D.3.4 The Governing Body shall ensure that all public funds, grants or donations received by the school, and all associated expenditure, is accounted for appropriately within the CFR framework. Earmarked expenditure shall be clearly identified within budget records and only used for approved purposes, and the CFR framework shall be fully complied with.

D.3.5 The Governing Body shall ensure that all accounts are supported by full documentation, which is retained for inspection for a period complying with the rule on retention of documents as detailed in *K: Retention of Documents*. Where documents or records fall due for disposal this shall be undertaken with due regard to confidentiality and Data Protection legislation, according to the nature of the documents or records being disposed of.

D.3.6 The Governing Body shall ensure that adequate procedures are in place to enable accounting records to be reconstructed in the event of system failures.

- D.3.7 The Governing Body shall ensure that key reconciliation procedures are carried out on a regular basis and shall provide evidence as required by the Chief Finance Officer and/or the Strategic Director of Children & Young People. As a minimum:
- All bank accounts must be reconciled monthly and signed for confirmation of review.
 - All accounts, including debtors and creditors, must be reconciled on a monthly basis and at the end of each financial year.
 - Unofficial funds must be accounted for in accordance with the Scheme for Financing Schools.

D.4 Final Accounts – Year End Requirements

- D.4.1 The Chief Finance Officer is responsible for ensuring that the annual statement of accounts is prepared in line with the requirements of the 2011 Accounts and Audit Regulations, the current Code of Practice on Local Authority Accounting in the UK and the Audit Commission Act 1998, except where specifically stated in the Statement of Accounting Policies.
- D.4.2 The Governing Body shall be responsible for producing detailed final accounts after the end of each financial year (1st April to 31st March) produced in accordance with codes of practice and agreed timetables and shall provide such information as is required by the Chief Finance Officer and the Strategic Director of Children & Young People to meet statutory accounting requirements.
- D.4.3 The Governing Body shall reconcile and close its accounts and submit its Consistent Financial Reporting (CFR) return by the notified deadline each year, duly authorised by the Head Teacher subject to delegation from the Governing Body.
- D.4.4 The Governing Body shall ensure that year end accounts are produced in accordance with the accruals accounting concept, unless otherwise notified as part of the request for information.
- D.4.5 The Governing Body must maintain full supporting documentation and audit trail to justify all figures contained in their accounts and be able to present for internal and external audit as required.

E. INCOME AND EXPENDITURE CONTROLS

Income

Income may be derived both from the provision of supplies and services to customers and from contributions and grants. Income can be a vulnerable asset and effective collection systems ensure that all income due is identified and that all collections are receipted, banked and properly accounted for. It is preferable to obtain income in advance of supplying goods or services as this improves the school's cashflow and avoids the time and cost of administering debts.

E.1 Income – General

- E.1.1 The Governing Body is responsible for setting a charging policy, conditions of hire and scale of charges for school supplies and services. Where applicable, The Governing Body shall consider the introduction of charges where no charge previously existed. The Governing Body and Head Teacher shall review their charges at least annually. Such reviews shall ensure that the costs incurred by the school are recovered.
- E.1.2 The Governing Body is responsible for the:
- collection of all income due to the school in respect of services provided by that school;
 - safe custody of all income;
 - effective recovery action;
 - establishment of performance management systems to monitor the recovery of income;
 - maintaining all records relating to income collection and debt write-offs.
- E.1.3 The Governing Body shall ensure that income is collected prior to or at the point of delivery of service to external customers such as for lettings. Where invoices are issued for the collection of debts these shall be issued promptly and all action taken for recovery of that debt.
- E.1.4 The Governing Body shall ensure the appropriate charging of VAT.
- E.1.5 The Governing Body shall ensure that all income received on behalf of the school is paid into the appropriate bank account at least weekly. Cash shall be held in a secure place until cashed. All income shall be banked intact – third party and personal cheques must not be cashed from money held on behalf of the school.
- E.1.6 The Governing Body shall ensure that a numbered receipt is issued, or a signed record kept, for all items of income collected on behalf of the school. A copy of all receipts must be kept and all forms of receipts must be treated as controlled stationery, i.e. numbered and kept in a secure place with all issues recorded. All receipts must be properly accounted for and accounts reconciled on a regular basis.

Any major discrepancies in income collected against that banked must be immediately investigated and notified to the Audit and Investigations Service.

E.2 Income – Bad Debts/Write Offs

A bad debt is an amount owed to the school which is found to be irrecoverable and needs to be written off.

- E.2.1 The Governing Body is responsible for the write-off of debt, property, stock and surplus assets. All write offs should be initiated by a written report from the Head Teacher, and should be formally considered and approved by the full Governing Body, and recorded in the minutes of the meeting. This cannot be delegated to a sub-committee of the Governing Body.
- E.2.2 The Governing Body must notify and obtain approval from the Chief Finance Officer before writing off any debt exceeding £1k. Debts exceeding £25k will also be reported to the LA's Cabinet.
- E.2.3 The delegated budget of the school shall bear the amount of any debt written off, and all appropriate budgets/forecasts shall be amended to reflect this.
- E.2.4 All documentation and evidence relating to the write off must be retained by the school and must be available for inspection by internal and external audit where required.

Expenditure

Public money should be spent with demonstrable probity and in accordance with the LA's policies. The LA's procedures should help to make sure that services can receive value for money in their purchasing arrangements.

E.3 Expenditure – General

- E.3.1 The Governing Body and the Head Teachers are responsible for ensuring that all expenditure under their control is incurred lawfully, is within budget provision and that the best value has been obtained in procuring goods and services.
- E.3.2 The Governing Body shall ensure that there are effective internal controls over the payment process. There must be a clear division of duties between placing orders, authorising payments and signing cheques/payment authorisations. The Governing Body must keep a record of the officers responsible for these functions and the limits of their authority.
- E.3.3 The Governing Body shall ensure that the following principles apply to the allocation of duties in order to safeguard financial propriety.
- The duty of providing information regarding sums due to or from the school and of calculating, checking and recording these sums shall be separated as completely as possible from the duty of collecting or disbursing them.

- Employees charged with the duty of examining and checking the accounts of cash transactions, shall not themselves be engaged in any of these transactions. Where this is not possible (due to a limited amount of staff) these should be countersigned.
 - The procedures in place and the responsibility of officers should be in writing and available for examination.
- E.3.4 The Governing Body shall ensure that there is a system of authorising payment from bank accounts, which is sufficient to prevent fraudulent or inaccurate payments being made.
- E.3.5 The Governing Body shall ensure that an up-to-date list of authorised staff to sign official orders, certify invoices for payment, petty cash claims, timesheets and payroll changes is kept. This list should include specimen signatures and clearly identify the limits of each signatory's authority.
- E.3.6 Every governor and school officer must declare any links or personal interests which they have with purchasers, suppliers and/or contractors if they are engaged in contractual or purchasing decisions on behalf of the school. This must be declared at the start of joining followed by annually.
- E.3.7 The Governing Body shall ensure that only costs relating to the school's delegated budget are charged to the school. The LA however reserves the right to make additional charges in particular circumstances as detailed in 6.2 of the Scheme for Financing Schools.

E.4 Expenditure – Orders

- E.4.1 The Governing Body shall ensure that official orders are issued for all work, goods or services to be supplied to the school. Where it is not possible to issue an official order prior to procuring, there should be clear documentary evidence or clear notes made for the reason for being unable to do so – this may include emergency situations, absence of key staff to approve, or the use of procurement cards. In such instances orders should be entered retrospectively. Official orders are not required for utilities, i.e. the supply of gas, electricity, telephone or water supplies, or periodical payments such as rent and petty cash purchases. These must however be paid based on actual readings, at least once a year.
- E.4.2 The Governing Body shall take appropriate steps to ensure value for money in the purchasing of all goods and services and must comply with the procurement regulations – see section *G: Procurement and Contracts*.
- E.4.3 The Governing Body shall ensure that authorisation of official orders are made by officers authorised to do so. A copy of each official order shall be retained. Any subsequent variation or amendment to an order shall be made only by those staff authorised to sign orders and should be noted on the copy of the order.

- E.4.4 The Governing Body shall ensure that the function of placing an order (i.e. determining the supplier and issuing a physical order for the supply) should, as far as possible be separated from the function of receiving and inspecting the supply.
- E.4.5 The Governing Body should be satisfied that a contractor is technically competent and has sufficient financial standing to carry out the work or produce the work, goods and services to the required quality, before placing any contracts or orders for work to be undertaken.
- E.4.6 The Governing Body must ensure that:
- unique pre-numbered official orders are used for all goods and services (except for supplies of utilities and periodical payments such as rent and petty cash purchases or other exceptional circumstances as outlined in E.4.1);
 - orders are only used for goods and services provided to the school and not by individuals for obtaining goods and services for their private use.
- E.4.7 The Governing Body must ensure that ordering books are treated as controlled stationery and are retained securely when not in use.
- E.4.8 School officers authorising orders must be satisfied that:
- the goods and services ordered are appropriate and needed;
 - the purchase is necessary for the educational purposes of the school;
 - adequate budgeting exists;
 - the necessary quotations or tenders for the purchase have been sought and retained.
- E.4.9 The Governing Body and Head Teacher shall ensure that work is not sub-divided to avoid compliance with regulations, i.e. to avoid the obtaining of adequate quotations or tenders.

E.5 Expenditure – Paying Invoices

- E.5.1 The Governing Body shall make arrangements for the payment of properly authorised accounts. No payment shall be made unless supported by an invoice or payment request.
- E.5.2 The Governing Body shall ensure that there is a clear division of responsibility between placing orders and paying invoices and those authorising payment and signing cheques must be satisfied that the expenditure is valid.
- E.5.3 School officers authorising payment shall firstly satisfy themselves that such sums are legally and properly payable, and that budgetary provision exists to cover the payment.
- E.5.4 The Governing Body must put in place arrangements which ensure that:
- invoices are matched to orders raised. This should be done as soon as possible as this is the school's protection against any dispute;

- the goods/services delivered or work carried out agree with the order and delivery note (where applicable) in respect of quality, quantity and price;
- invoices are checked properly in order for payment, are arithmetically correct and include the appropriate VAT details;
- payments are only made on originals or authorised copy invoices, and are not made on photocopies and faxed invoices;
- a certification slip or payment stamp is used to demonstrate that all the appropriate checks have been carried out;
- all payments are authorised;
- any goods returned or unsatisfactory services are recorded on the delivery note and the copy order at the time to ensure they are not paid for in error;
- payment for goods and services are not made until they have been received;
- the invoice has not previously been paid;
- the invoice is properly coded;
- appropriate entries will be made in accounting records.

E.5.5 The Governing Body shall ensure that a register of periodic (regular) payments is kept to ensure that payments are made accurately and by the due date. Periodic payments include those made for ongoing rents and ground rents.

E.6 Expenditure – Payroll

Employee costs are the largest item of expenditure in schools. It is therefore important that there are appropriate controls in place to make sure that payments are made only where they are due and that payments accord with the individual's contract of employment.

E.6.1 The Governing Body shall ensure that:

- payments are only authorised to bona fide employees or former employees;
- payments are only made where there is a valid entitlement;
- conditions and contracts of employment are correctly applied;
- employees' names listed on the payroll are checked at least monthly to verify accuracy and completeness;
- there is an effective system of checking and authorising payroll forms;
- all appropriate payroll records and supporting documentation are retained for the appropriate period.

E.6.2 The Governing Body is responsible for ensuring that suitable arrangements are in place for payroll administration. It is essential that the Governing Body ensures that sufficient controls are in operation to prevent fraudulent or erroneous payments.

E.6.3 The Governing Body shall ensure that all emoluments to staff are only effected through payroll systems. This includes the payment of all salaries, wages, pensions, compensation, car mileage claims, other emoluments and the deductions from salaries for tax, superannuation and other deductions to and/or from all employees and former employees of the school shall be made through the payroll. For best practice, all claims in respect of public transport and subsistence costs should be made through the payroll, and not paid directly from petty cash or by cheque. On occasion a member of staff may require an advance where their start date is after

the payroll submission date – in such instances this would be considered a cash advance as their salary would be processed through the payroll in the following month with an appropriate deduction for the payment. If in doubt, please seek advice from the LA.

- E.6.4 The Governing Body is under a duty to ensure that all appointments, resignations, absences, overtime or other circumstances affecting the salary, wage or emoluments of an employee in their school are acted upon immediately.
- E.6.5 The Governing Body must ensure that all appointments are in accordance with appropriate grades and scales of pay, are consistent with agreed arrangements and that adequate budget provision is available.
- E.6.6 The Governing Body is responsible for ensuring that only authorised payments are made. In particular, effective authorisation procedures are needed in respect of new starters, leavers, absences and variations to pay. They should include a proper division of duties between staff authorising payments and those checking payroll output. In no circumstances may a member of staff authorise or process a transaction in relation to their own remuneration.
- E.6.7 The Governing Body are responsible for ensuring that all data is input correctly to the payroll system and that all deadlines are met.
- E.6.8 The Governing Body shall ensure that settlement of any loans is agreed when completing the leaving notice.
- E.6.9 The Governing Body shall determine an appropriate staffing establishment in consultation with the Head Teacher, having due regard for available financial resources and the likely demand for teaching resources over the coming years.
- E.6.10 Where a school's payroll is provided by another payroll provider other than the school, the Governing Body shall ensure that:
- all appropriate payroll records are maintained and updated in respect of income tax, national insurance, statutory sick pay and pension contributions;
 - all relevant payments are made by the payroll provider in respect of HMRC, Teachers' Pension Agency (TPS) and other bodies for which deductions from gross pay are made;
 - the payroll provider has in place appropriate insurance cover to indemnify the school against any loss arising from error or fraud during processing of the school payroll.

E.7 Expenditure – Petty Cash

- E.7.1 The Governing Body is responsible for funding their petty cash imprest accounts out of their bank accounts.

- E.7.2 The Governing Body shall ensure that petty cash is properly accounted for and reconciled on a monthly basis (also taking into account VAT where applicable). Head Teachers shall review and sign these.
- E.7.3 School officers administering petty cash must ensure that expenditure conforms to the legal and justifiable tests as for general expenditure. Proof of expenditure must be obtained and retained in all cases and documentation must be retained in accordance with general expenditure items. Where appropriate an official receipted VAT invoice must be obtained.
- E.7.4 The Governing Body must make adequate arrangements:
- for the safe custody of cash held;
 - to ensure the float is never used to cash personal cheques or to make personal loans;
 - to ensure the prompt recording of transactions;

E.8 Expenditure – Capital

Capital expenditure is money spent to acquire, improve or upgrade physical assets such as buildings and machinery which provides benefits for a period exceeding one year. This may include work on the school site, playing fields, buildings, vehicles or other equipment.

- E.8.1 Capital expenditure generally falls outside the Scheme for Financing Schools. However, capital expenditure may be financed from delegated budgets. Where the school charges elements of expenditure relating to capital works, to its budget share, these financial regulations shall apply. These financial regulations shall not apply to expenditure which is the responsibility of the diocesan boards or other funding agencies.
- E.8.2 The Governing Body shall ensure that items below £5,000 are not capitalised, in line with the Scheme for Financing Schools.
- E.8.3 The Governing Body shall seek the consent of the LA, where the premises are owned by the LA, for the extension of buildings and any external works that will impact on play areas or playing fields.

Income & Expenditure

E.9 Taxation

- E.9.1 It is the responsibility of the Chief Finance Officer to make arrangements for the completion of all returns to the HM Revenue & Customs (HMRC). Head Teachers must provide information to the Chief Finance Officer in the format and timetable required in order to meet these responsibilities.

- E.9.2 The Governing Body is responsible for VAT on expenditure and income. A number of school services attract VAT, which must be passed on to customers and separately accounted for. For details of items attracting VAT, the rates to be applied and the specific accounting arrangements are detailed in Brent's VAT Guide for Schools.
- E.9.3 The majority of payments made to suppliers and contractors will be subject to VAT. In these cases an original VAT invoice must always be obtained. A supplier not registered for VAT is not entitled to charge VAT. VAT invoices must contain certain information, details of, which are set out in VAT Guide for Schools. This booklet also set out a number of practical guidelines, which must be observed.
- E.9.4 Heavy penalties will be imposed on the LA if it submits incorrect VAT returns. Any penalties resulting from an incorrect declaration will be charged to the school concerned.
- E.9.5 The Governing Body must submit a quarterly return to the Schools Finance Team providing details of VAT charged and paid. These returns will be in a format notified by the Chief Finance Officer and must be submitted within specified timescales.
- E.9.6 Payments to subcontractors for work of a construction nature are subject to HMRC Construction Industry Scheme (CIS) special verification and reporting rules. Schools are exempt where a contract is between the school/governing body and the subcontractor (not with the LA). This means the school can pay the subcontractor direct and do not have to report details of payments made for construction operations under the Construction Industry Scheme (CIS). However, where there is work of construction nature on a school and the contract is between the subcontractor and the LA, in this case invoices are paid and reported for CIS purposes by the LA.
- E.9.7 The Governing Body shall ensure that all payments to employees and former employees of salaries and wages, including London Weighting, overtime, fees, commissions, bonuses, performance related pay, contract additions, leased car allowances, honoraria, sickness payments (including SSP and SMP), holiday pay, pensions compensation, other emoluments and other taxable and/or superannuable payments are made through the school's payroll system. These must not be paid out of petty cash, or through the school's payment systems. This is essential to ensure that all statutory deductions and pension contributions are correctly made and paid over.
- E.9.8 The Governing Body shall ensure that all payments to self-employed persons employed by schools, as consultants or temporary workers, are treated with extreme care. The Governing Body is responsible for assessing employment status in respect of any service providers engaged with the school. In practice this may be an individual providing services such as teaching, lecturing, coaching, consulting, training, etc.
- Where the individual concerned represents a bona fide company, the payment should be made directly to the company.

- Where it is not possible to determine employment status, the school shall seek advice from the LA's Senior Finance Officer (Tax).
- If there is any doubt, the person must be paid through the payroll.

F. RISK MANAGEMENT AND CONTROL OF RESOURCES

Risk Management is the process of defining risks that threaten a school, understanding how to handle them and averting the danger in an efficient and cost-effective manner. Good risk management ultimately saves time, assets, income and other important resources, and prevents the risk of loss, fraud and liabilities.

F.1 Risk Management and Insurance

F.1.1 The Chief Finance Officer is responsible for the preparation and promotion of the LA's risk management policy statement.

F.1.2 The Chief Finance Officer, or under arrangements approved by him, shall effect all insurance, subject to any liability imposed on the LA by statute or other legal obligation.

F.1.3 The Governing Body shall be responsible for ensuring that assets under their control have appropriate insurance cover within the overall guidance issued and must review on an annual basis the level of risk cover required.

F.1.4 The Governing Body shall:

- ensure that adequate risk management controls are implemented, monitored and reviewed;
- notify the relevant Insurance Service immediately of any loss, liability or damage that may lead to a claim against the school;
- notify the relevant Insurance Service of all new risks, properties or vehicles that require insurance and of any alternations affecting existing insurances;
- consult with the Chief Finance Officer and the Solicitor to the LA on any terms or any indemnity that the LA is requested to enter into on behalf of the school.

F.1.5 When considering how much liability insurance to ask for from a provider, the Governing Body must ask these three questions first:

- a) What is the worst that could go wrong?
- b) How much would that cost to fix?
- c) Who should be responsible for such costs?

When these are answered, the amount of liability insurance to request will be easy to work out on a case-by-case basis. Governing Bodies should contact the Insurance team for advice and guidance if required.

F.1.6 The Governing Body shall ensure that all individuals or bodies who make lettings applications confirm that they have adequate insurance arrangements by signing an appropriate Lettings Terms and Conditions form before the application is accepted. A copy of this document shall be retained by the school.

F.1.7 The Governing Body shall ensure that all school officers that make use of private vehicles in the course of their duties, have arranged appropriate business use cover and such cover is evidenced by the production of certificates of insurance.

F.2 Internal Controls

Internal Controls include policies and procedures that:

- *pertain to the maintenance of accurate and reasonably detailed records;*
- *provide reasonable assurance that transactions are properly recorded and authorised;*
- *safeguard assets.*

F.2.1 The Chief Finance Officer shall make arrangements for the production and publications of an annual independent statement on internal control and risk management.

F.2.2 The Governing Body and Head Teacher shall ensure that:

- adequate systems of internal control are established, adhered to, tested and reviewed in order to be confident in the areas set out in the annual assurance matrix;
- staff have a clear understanding of the consequences of lack of control and knowledge of Financial Regulations.

F.2.3 The Governing Body shall put in place appropriate measures to achieve effective internal financial controls. These may include:

- Adequate operation of budgetary control and accounting systems;
- Adequate supervision;
- Physical safeguarding of property and staff;
- Segregation of duties;
- Maintenance of local information systems;
- Adherence to authorisation and approval process.

F.3 Schools Financial Value Standard (SFVS)

The SFVS is a self-assessment of the school by the Governing Body on the effectiveness of their financial management. The SFVS will inform the LA program of internal audit and auditors will have access to the standard and will check whether the schools self-assessment is in line with their own judgement. Auditors will report any major discrepancies to the Chief Finance Officer and the Strategic Director of Children & Young People.

F.3.1 The Governing Body shall comply with the DfE Schools Financial Value Standard (SFVS) by the completion and submission of the self-assessment to the LA.

F.3.2 The Governing Body shall ensure that the SFVS is completed, signed by the Chair of Governors and submitted to the Schools Finance Team prior to 31st March each year.

- F.3.3 Where schools fail to complete the self-assessment by 31st March, the LA may take the following action:
- Issue a notice of concern;
 - Publish the names of schools who did not submit the assessment in time or not at all;
 - Withdraw financial delegation.

F.4 Audit Requirements

- F.4.1 The Chief Finance Officer will ensure that a strategic and annual audit plan is prepared by the Head of Audit and Investigations which takes account of the characteristic and relative risks of the activities involved. The Chief Finance Officer is responsible for ensuring that adequate arrangements are made for the effective delivery of this plan. Audit visits shall examine accounting, financial and operational aspects of school activity.
- F.4.2 The Chief Finance Officer will ensure that the Strategic Director of Children & Young People, the Head Teacher and Chair of Governors receive suitable reports setting out the findings of all internal and external audit reports of a school.
- F.4.3 The Chief Finance Officer, or authorised representative including external auditors, shall have authority to:
- enter any municipal building, land or area where records relating to any activity of the LA, its partners, contractors or any body partly or wholly funded by the LA, are, or may be, held. This includes maintained schools. If necessary they can conduct searches of those areas, including cabinets, workspaces, desks, for the purposes of locating documents or other material relevant to any matter under investigation. Where necessary they can remove and examine IT equipment.
 - access all records, data, computer systems, correspondence and any other source of information relating to any matter under examination and remove any documents and records as deemed necessary. This will include documentation held by schools in respect of organisations that are partners of the school or are providing services on behalf of the school.
 - request and receive such explanations as are considered necessary concerning any matter under examination.
 - request any person holding or controlling cash, stores or any other school property to produce such items for examination. These may be removed as deemed necessary.

For the avoidance of doubt, the authority detailed above includes both foundation and voluntary aided schools, and any other establishment operated within the LA's accounts.

In relation to rights of access, the Chief Finance Officer and his representatives are expected to have a personal responsibility to observe the highest standards of confidentiality and personal integrity.

- F.4.4 The Governing Body must:
- ensure that the Head Teacher and other school officers respond within the given timescale to recommendations in both internal and external audit reports;
 - ensure that agreed actions arising from the audit recommendations are carried out within the given timescales;
 - monitor the reasons for any failure by the Head Teacher or other school officers to implement those audit recommendations.
- F.4.5 It is advised that the Governing Body shall maintain a risk register within the school, informed by regular reviews and assessments of risks and to identify and document actions to mitigate those risks.
- F.4.6 The Governing Body must ensure that new systems for maintaining financial records, or significant changes to such systems, are discussed with the Schools Finance Team and the Audit and Investigations Service prior to implementation.

F.5 Financial Irregularities

Any matter that arises which involves, or is thought to involve, irregularities concerning cash, stores or other property of the LA or any suspected financial irregularity in the exercise of the functions of the LA. This includes anything that can detrimentally affect the LA's interests.

- F.5.1 Every school officer has a duty to report any suspected breach of financial regulations, irregularity or suspected irregularity as soon as the matter is identified, to the Head Teacher or the Governing Body, or if circumstances dictate, directly to the Audit and Investigations Service.
- F.5.2 The Governing Body shall ensure that the LA's Whistleblowing Policy is fully distributed and made available to all school officers and governors for reference. This policy applies equally to all school officers and ensures that officers can report their concerns in confidence. The LA has a statutory duty, under the Public Interest Disclosure Act 1998, to protect whistle-blowers from recrimination. Details of the policy can be found on the Schools Extranet or can be obtained from the Schools HR Team or the Audit and Investigation Service.
- F.5.3 The Governing Body has a duty to notify the Chief Finance Officer immediately of any suspected fraud, theft, irregularity, improper use or misappropriation of the LA's property or resources. Pending investigation and reporting, the Governing Body should take all necessary steps to prevent further loss and to secure records and documentation against removals or alteration.
- F.5.4 The Governing Body must keep a service-based register of gifts and gratuities received by officers. Offers, gifts or inducements for favour shall be declined, fully recorded by the school officer or governor and reported and minuted at the next meeting of the Governing Body. This requirement does not extend to minor items which are considered to be of token value such as stationery, calendars, pocket diaries, chocolates, etc. The Governing Body must set a policy regarding the

acceptance of any gifts and gratuities, which clearly stipulates a cash limit above which all items must be recorded.

F.6 Money and Banking

- F.6.1 The Governing Body must ensure that adequate security arrangements exist for the holding of cash including controlling access to safes and other receptacles. Cash holdings should be kept to a minimum at all times.
- F.6.2 The Governing Body shall maintain such bank accounts as it, in consultation with the Chief Finance Officer and the Strategic Director of Children & Young People, considers necessary for the efficient operation of the school's finances under arrangements approved by the Chief Finance Officer.
- F.6.3 The Governing Body is responsible for approving the authorised signatories to all bank accounts within their school and for ensuring that there is more than one signatory.
- F.6.4 The Governing Body shall ensure that all transfers between accounts, unless undertaken automatically by the school's bank to optimise investment funds, are authorised in writing by the Head Teacher.
- F.6.5 The Governing Body ensure that all any income relating to delegated public funds are not, at any point, paid into or accounted for by voluntary or non-public funds held by the school.
- F.6.6 The Governing Body shall make arrangements with the bank to provide statements of account, together with supporting documentation, at pre-determined intervals. To enable the LA's statutory accounts to be closed on a proper basis it is essential that a statement is obtained showing the position at the close of business on 31st March, or the last banking day prior to the 31st March.
- F.6.7 The Governing Body are responsible for the effective management of cash flow through their bank accounts.
- F.6.8 The Governing Body shall ensure that all school bank accounts are administered effectively and reconciled to the school's accounting system at least on a monthly basis. This includes investment accounts, bonds and any monies held on deposit with approved banks and building societies and sourced by public funds. The reconciliation shall be reviewed by the Head Teacher and evidenced in writing.
- F.6.9 The Governing Body shall maintain a cash book and other records of all transactions passing through those bank accounts and shall ensure that such records are balanced and reconciled at periods of no less than one month and that prompt action is taken on any discrepancy.

F.6.10 Imprest and petty cash bank accounts must not be overdrawn at any time. The Governing Body must ensure that their bank account(s) remain in credit.

F.6.11 School officers shall not use their own private bank accounts for the purposes of making payments or banking income relating to the school.

F.7 Property, Stock and Equipment

F.7.1 The Chief Finance Officer shall maintain an appropriately valued asset register of all the LA's land and buildings.

F.7.2 The Governing Body must maintain an inventory of valuable goods and equipment. The inventory must be kept in a secure place and should include:

- All items with a value over £1,000 (the LA strongly suggests that all items over £100 should be included);
- All items with a value under £1,000 if they may be regarded as portable, desirable items that are susceptible to unauthorised removal;
- A full description of the items including a note of any security markings and identification numbers etc.

F.7.3 The Governing Body should ensure that a comprehensive inventory check is carried out at intervals of no more than twelve months. These checks shall be evidenced in writing and the Head Teacher shall certify that checks have been undertaken to their satisfaction. A copy of the certified inventory should be presented to the Governing Body.

F.7.4 All assets should be held in the name of the LA or school and not in the name of individual officers or their post titles. It is important that valuable items are held in a secure environment commensurate with the value of the items and the cost of security. Large cash holdings should be kept in a suitable locked safe. Keys should be kept in a secure place or retained by the key-holder at all times. All officers should be aware that many documents such as cheque books, savings books, securities and order pads are the equivalent of cash and must be treated accordingly. It is not acceptable to leave safes unlocked during working hours or to leave cash holdings in unlocked desk drawers or filing cabinets. The LA's insurance policy may be invalidated if appropriate security measures are not taken.

F.7.5 The Governing Body is responsible for maintaining the security at all times of all land, buildings, stores, equipment and other property under their control. Head Teachers must ensure that land and buildings are adequately secured to prevent against unauthorised access or possession. Where the Governing Body feels that special security arrangements are required it should consult the Chief Finance Officer and/or the Strategic Director of Children & Young People.

F.7.6 The Governing Body shall be responsible for the care and custody of the stores held in their school, which should not be held in excess of economic requirements.

- F.7.7 The Governing Body and Head Teacher shall annually review their use of property for the purpose of identifying surplus or inefficient properties.
- F.7.8 The Governing Body shall make arrangements for a periodical test check of stocks under their control by a person independent of the 'store-keeper' and shall ensure that all stocks are checked at least annually.
- F.7.9 Designated school officers shall maintain a record of all stocks and stores and shall provide the Schools Finance Team with such information as required on stocks and stores for year end accounting purposes.
- F.7.10 The Governing Body shall ensure that where school officers are required to take assets or equipment home, this shall be properly recorded on the inventory.

F.8 Sale of Assets

Land and buildings cannot be disposed of other than in accordance with LA procedures.

- F.8.1 Where the Governing Body determines that any asset with a resale value is surplus to requirements must record that fact in writing giving the reason. A disposal file must be held by all schools for this and all other relevant information concerning the disposal, and kept for future inspection.
- F.8.2 The Governing Body must ensure that a member of school staff who determines that an asset is surplus to requirements or is involved in the disposal must never attempt to purchase it or take it for themselves. There must be a clear separation of duties.
- F.8.3 The Governing Body must appoint staff responsible for disposal whose name must be clearly identified in the disposal file. They should be instructed in writing on the disposal and will be accountable to the Governing Body and the Head Teacher for ensuring that disposal is for the best price reasonably obtainable.
- F.8.4 The Governing Body shall ensure that all paperwork in connection with the disposal is kept in the disposal file. The file should be kept for a period of six years after the disposal. The file shall include at least:
- the Head Teacher's written record declaring the asset surplus, and instructions to the person appointed as responsible for the disposal;
 - the independent valuation;
 - the advertisement;
 - the offers made; and
 - the receipt.
- F.8.5 The Governing Body shall ensure that all assets are offered to other schools before members of staff or the public. Information about the assets available should be circulated to all schools and with adequate time allowed for them to make a bid. A

sale may proceed to any person offering at or above the valuation. If there is competition, the sale should be to the highest bidder.

- F.8.6 The Governing Body shall ensure that official receipts are issued for income received. Moneys must be received and properly accounted for by someone who has not been involved in the disposal.
- F.8.7 The Governing Body must ensure the disposal is recorded on the school's inventory.

G. PROCUREMENT AND CONTRACTS

Under the International Financial Reporting Standards (IFRS) contracts (works, supplies or services) may contain “embedded leases” that need to be disclosed. Contracts that require the use of specific assets (as defined by IFRS) are at risk and may contain such leases. These leases may not be visible or apparent and so contracts must be assessed by the Chief Finance Officer before being signed.

Leasing, loans and financial arrangements have their own specific approval process outside of the LA’s Contract Standing Orders and as such are contained within Section C.

An electronic version of the LA’s Constitution encompassing the Financial Regulations and Contract Procedure Rules can be obtained here:

<http://www.brent.gov.uk/your-council/about-brent-council/council-structure-and-how-we-work/our-constitution/>

For the purposes of Contract Standing Order 100 schools shall substitute reference to ‘Democratic Services Manager’ to ‘Head Teacher and/or Chair of Governors.’

- G.1 All procurement on behalf of the LA must, where applicable, comply with EU Public Procurement Legislation (the Public Contracts Regulations 2015), the LA’s Financial Regulations and Contract Standing Orders.
- G.2 The Governing Body shall maintain and supply the Chief Finance Officer with such information as is required for corporate compliance with these rules.
- G.3 The Governing Body has a duty to ensure that appropriate steps are taken to procure contracts in accordance with the procurement procedures set out in the LA’s Contract Standing Orders and Financial Regulations, in order to ensure compliance with the law and achieve value for money. This includes assessing the value of the contract, over the life of the contract including any possible extensions.

The chart below sets out different categories of contracts depending on the value of the contract (over the life of the contract, including any possible extension) for Supplies, Services and Works.

Contract Value

It is a mandatory requirement to estimate a contract value at the start of a procurement. The value of the contract must be calculated over the entire length of the contract, including any period of extension(s) anticipated.

Supplies & Services		Works	
Very Low Value Contract	£0 < £24,999	Very Low Value Contract	£0 < £24,999
Low Value Contract	£25,000 < £172,513	Low Value Contract	£25,000 < £249,999
Medium Value Contract	£172,514 < £249,999	Medium Value Contract	£250,000 < £499,999
High Value Contract	> £250,000	High Value Contract	> £500,000
EU Threshold Values: <u>Supplies & Services (excluding Schedule 3 Services)</u> from 1 st January 2014 > £172,514 <u>Schedule 3 Services</u> from 1 st April 2015 > £650,000		EU Threshold Values: <u>Works</u> from 1 st January 2014 > ££4,322,012	

A Schedule 3 Service is defined as those social, educational and other specific services listed in Schedule 3 of the Public Contracts Regulations 2015.

- **Very Low Value Contract** – Although there are no formal procurement procedures for Very Low Value Contracts, the Governing Body must secure best value. The Governing Body is advised that the easiest way to demonstrate best value is either to seek three competitive written quotes, to use an Approved List (where one exists), or to use the Online Market Place. This is not however mandatory, but it is mandatory to keep an auditable record to demonstrate compliance and value for money.
- **Low Value Contract** – The Governing Body must seek at least three written quotations from potential providers and retain the quotes sought and/or obtained, or contracts must be procured through the Online Market Place.
- **Medium Value Contract**– The Governing Body must undertake a competitive tendering exercise. This tendering exercise must be commenced by placing a contract notice (advert) in OJEU (Official Journal of the EU) if the Public Contract Regulations 2015 apply in full to the procurement. For all tender exercises, it is necessary to advertise on Contracts Finder (a web-based facility operated by or on behalf of the Cabinet Office) and publish a public notice on the London Tenders Portal. Where a Governing Body elects to utilise the LA's e-Tendering system to advertise and run the procurement, they must then comply with Contract Standing Order 101 (e-Tendering and e-Auctions).
- **High Value Contract** – The Governing Body shall obtain approval from the Cabinet before the procurement process is started. In seeking Cabinet approval to tender, the Governing Body shall address the pre-tender considerations set

out in the LA's Contract Standing Order 89, to include details of the criteria for evaluation and award. The tender exercise will be the same as for Medium Value Contracts. Following receipt and evaluation of bids, further Cabinet authority should be sought to award the contract.

- G.4 The Governing Body shall ensure that when valuing a rolling contract with no defined termination date, the contract is valued over a period of 48 months.
- G.5 The Chair of Governors and the Head Teacher shall make appropriate arrangements for the receipt and opening of tenders that ensure that each tenderer is treated fairly and equally and the LA's interests are protected. Unless the LA e-Tendering system is used, tenders shall be addressed to the Head Teacher and remain in their custody until the time appointed for opening.
- G.6 For **High Value Contracts**, unless the LA e-Tendering system is used, tenders shall be addressed to the Chair of Governors or the Head Teacher and the tender shall remain in their custody until the time for opening. Tenders for contracts with this value must also be opened and tender details recorded by the Chair of Governors or the Head Teacher and one other officer.
- G.7 Subject to compliance with the EU Procurement Legislation, in cases of extreme urgency, e.g., where there is an immediate danger to life, limb or property, competitive tenders need not be invited in order to deal with the immediate urgent situation provided that advice is sought from the LA's Chief Legal Officer.
- G.8 Subject to compliance with the EU Procurement Legislation, where schools consider that there are good operational and/or financial reasons for not procuring and/or awarding a contract in accordance with Contract Standing Orders or Financial Regulations, a report should be submitted to the Cabinet seeking approval not to comply in these respects.
- G.9 The LA's Chief Legal Officer and the Chief Finance Officer or his representative must be invited to be advisers to all Tender Panels for evaluation of High Value Contracts, i.e. contracts for services or supplies with a value in excess of £250,000 and works with a value in excess of £500,000.
- G.10 The Governing Body shall maintain a record of all tenders invited and received by them and of all contracts entered into on behalf of the LA and shall record the reasons for non-acceptance of a tender or the rejection of a contractor who has not been included in a tender short-list.
- G.11 The Governing Body shall ensure that no contract subject to the full application of the EU Regulations is awarded without the mandatory 10 days standstill period being complied with.
- G.12 The Governing Body shall ensure that where a contract exceeds £500,000 in value, or is likely to exceed that amount, it shall be contained in a formal document executed under seal.

G.13 Every school officer has a legal and personal duty to notify the Chief Executive in writing immediately if they discover that the school has entered or intends to enter into a contract in which he or she has a direct or indirect pecuniary interest. Further guidance on this matter can be sought from the LA's Chief Legal Officer.

H. INVESTMENTS AND TRUST FUNDS

- H.1 The Governing Body shall ensure that all investments of money under the school's control are made in the name of the school where legally possible.
- H.2 The Governing Body shall ensure that all securities that are the property of, or in the name of, the school are held in custody under safe arrangements previously made or agreed by the Strategic Director of Children & Young People.
- H.3 The Governing Body shall ensure that all trust funds held by the school are, where legally possible, in the name of the school.
- H.4 The Governing Body shall ensure that all officers acting as trustees by virtue of their official position deposits all securities, certificates and similar documents relating to the trust in accordance with prior arrangements approved by the Strategic Director of Children & Young People subject to advice from the Chief Finance Officer unless any trust deed otherwise provides.

I. CUSTODY OF THIRD PARTY PROPERTY

- I.1 The Governing Body shall ensure that where it becomes necessary to hold property on behalf of a member of the public or other third party, an itemised inventory is maintained of all such items.
- I.2 The Governing Body shall make secure arrangements for the custody of such property, including cash, and shall arrange for periodic checks by a person other than the employee responsible for its custody.

J. ESTATES

- J.1 The LA's Chief Legal Officer shall have custody of all title deeds and shall make secure arrangements for their custody.
- J.2 The Governing Body shall ensure that where a school proposes to build another building, the matter is referred to the LA's Chief Legal Officer for advice as to the legal effect of the transaction.

K. RETENTION OF DOCUMENTS

- K.1 The following items must be retained indefinitely or during the whole of the school's possession of the relevant asset and for twelve years afterwards:
- Property deeds, contracts and leases relating to land and buildings in the ownership or occupation of the LA or Governing Body.
 - Share certificates, stocks, bonds and other securities together with any appropriate contracts of purchase or sale.
 - Guarantees, indemnities, insurance policies.
- K.2 All other contracts carried out under the seal of the LA must be retained for twelve years after completion of the contract.
- K.3 LAs are required by statute to retain all accounting documents for a minimum of six years plus the current tax year. The statute of limitations for contracts not under seal applies for six years after completion of the contract. In addition HM Revenue & Customs may inspect documents for periods of six years. Officers can be held personally liable where documents required are not available. In order to give effect to these requirements the following documents must be retained for a minimum of six years plus the current tax year:
- All accounting documents including invoices, contract certificates, paid cheques, bank statements;
 - Debtor accounts, income receipts and associated documents;
 - All contracts not under seal for works, goods or services (six years after completion of the contract);
 - All tender and related documents (six years after completion of the contract);
 - Details of salaries, wages and superannuation payments including particulars of pay calculations, copy payslips, P60 documents.
- K.4 The Governing Body shall consult with the Audit and Investigations Service before copying documents not previously copied or before using a new method, to ensure such methods would be accepted for evidence purposes.
- K.5 The Governing Body shall nominate a member of school staff to make safe arrangements for the storage and review of information. All records must be properly indexed to allow efficient recovery.

L. NON-OFFICIAL FUNDS

A non-official fund refers to both voluntary and private funds which do not contain official money or delegated funding from the LA. It is controlled wholly or in part by the Head Teacher by reason of their employment by the school.

These Financial Regulations as a whole does not apply to non-official funds, but the Governing Body is advised to ensure similar standards of accounting are exercised in relation to these funds to ensure an effective control framework.

The following regulations however do apply.

- L.1 The Governing Body shall ensure that non-official funds are never mixed with official (delegated) funds. The Governing Body shall ensure that any income which properly relates to the school's delegated budget is not credited to a non-official fund.
- L.2 The Governing Body shall arrange for voluntary and any other non-public funds to be the subject of an annual independent audit by an auditor appointed by the Governing Body. The auditor shall not be an employee, and shall be independent of the school.
- L.3 The Head Teacher shall ensure that a report of the annual audit is submitted to the Governing Body for review.
- L.4 The Governing Body shall provide annual audit certificates to the LA's internal auditors in respect of voluntary and private funds held by the school.
- L.5 The Governing Body shall ensure its oversight of the management of non-official funds by regularly reviewing reports on income received, major items of expenditure, the balance of the funds, and certified reconciliations.
- L.6 The Governing Body shall not use non-official funds to make overtime payments to school officers or for payment of fees to school officers carrying out additional work as part of their normal school duties.
- L.7 The Governing Body shall not reclaim VAT on non-official funds, unless the fund is separately registered for VAT.

M. INFORMATION SYSTEMS

- M.1 The Governing Body shall retain overall responsibility for data protection, and the school shall be registered under the Data Protection Act 1998.
- M.2 All school officers shall take adequate steps to keep personal records up-to-date and secure in accordance with the terms of the Data Protection Act 1998. This requirement shall also extend to the secure disposal of obsolete records.
- M.3 The Governing Body shall ensure that where CCTV systems are in use at the school for the purposes of preventing and detecting crime, that the Data Protection Act registration shall reflect this purpose.
- M.4 The Governing Body shall ensure that all computer systems employed by the school is adequately secured against unauthorised access and use. Such measures may include:
- Appropriate physical location of equipment and locking of rooms when not in use;
 - Establishment of appropriate system users according to their job descriptions and responsibilities;
 - Use of appropriate and regularly updated passwords to prevent unauthorised access;
 - Use of screensavers and time-out routines to prevent unauthorised access and viewing of data on screen.
- M.5 The Governing Body shall ensure that rigorous procedures exist to secure a regular back-up of data and systems held on computers. Back-up media shall be appropriately secured and should be held remotely from the computers to which they relate. This may include securing off-site copies. Back-up and restore routines shall be regularly tested to ensure that data and systems can be restored if necessary.
- M.6 The Governing Body shall establish a disaster recovery plan which considers the recovery of records and data in the event of a serious incident such as fire. Where possible this plan shall be tested to ensure that school business shall continue as far as is possible. These arrangements shall cover not only reconstitution of records but also the prompt sourcing of appropriate replacement equipment, and ensuring that manual records are stored in as secure a manner as possible.
- M.7 The Governing Body shall ensure that adequate systems exist for the detection and prevention of infection from computer viruses. Such defences shall be subject to regular update, and the Head Teacher shall ensure that such procedures exist which prevent staff from using computers, which are thought to be infected.

ANNEX A – LIST OF MAINTAINED SCHOOLS (at 1st December 2015)

NURSERY (4)

COLLEGE GREEN
CURZON CRESCENT
FAWOOD
GRANVILLE PLUS

PRIMARY (55)

ANSON
BARHAM
BRAINTCROFT
BRENTFIELD
BYRON COURT
CARLTON VALE INFANTS
CHALKHILL
CHRIST CHURCH BROND CE
CONVENT OF J&M RC INFANTS
DONNINGTON
ELSLEY
FRYENT
FURNESS
HARLESDEN
ISLAMIA
JOHN KEBLE CE
KILBURN PARK JUNIORS
KINGSBURY GREEN
LEOPOLD
LYON PARK INFANTS
LYON PARK JUNIORS
MALOREES INFANTS
MALOREES JUNIORS
MICHAEL SOBELL SINAI
MITCHELL BROOK
MORA
MOUNT STEWART INFANTS
MOUNT STEWART JUNIORS
NEWFIELD
NORTHVIEW
OAKINGTON MANOR
OLIVER GOLDSMITH

OUR LADY OF GRACE RC INFANTS
OUR LADY OF GRACE RC JUNIORS
OUR LADY OF LOURDES RC
PARK LANE
PRESTON PARK
PRINCESS FREDERICA CE
ROE GREEN INFANTS
ROE GREEN JUNIORS
SALUSBURY
ST JOSEPH'S RC
ST JOSEPH'S RC INFANTS
ST JOSEPH'S RC JUNIORS
ST MARGARET CLITHEROW RC
ST MARY MAGDALEN'S RC
ST MARY'S CE
ST MARY'S RC
ST ROBERT SOUTHWELL RC
STONEBRIDGE
TORAH TEMIMAH
UXENDON MANOR
WEMBLEY
WYKEHAM

SECONDARY (3)

JFS
NEWMAN
ST GREGORY'S RC

SPECIAL (3)

MANOR DAY
PHOENIX ARCH
THE VILLAGE

PRUS (2)

ASHLEY COLLEGE
RIVER COLLEGE



	Current Wording	Previous Wording
B.3.4	The school's Finance Officer shall enter the approved submitted budget plan on to the school's computerised financial system within a month of its approval, and ensure that the budget is locked on the system. This will allow an audit trail for any changes made during the year, which should be appropriately approved and documented. It is accepted that this budget will be the best known estimate at the time of setting and will therefore be subject to change – any changes on the system will create an audit trail which should be backed up by minutes to governing body meetings approving the changes.	The school's Finance Officer shall enter the approved submitted budget plan on to the school's computerised financial system within a month of its approval, and ensure that the budget is fixed on the system. This will allow an audit trail for any changes made during the year, which should be appropriately approved and documented.
B.5.1	The Governing Body may agree to transfer resources between budgets but are reminded that resources cannot be transferred from capital to revenue due to accounting conventions. Any transfer of resources between budgets should have a clear rationale, and should be taken into account for forecasting and future year's budget-setting.	The Governing Body may agree to transfer resources between budgets provided they follow the advice provided by the Chief Finance Officer and Strategic Director of Children & Young People.
B.6.2	The Governing Body shall agree school performance measures linked to the school development plan (SDP) and review progress and outcomes for the resources allocated. It is good practice for the SDP to be fully costed, and the Governing Body should review such costs against the impact.	The Governing Body shall be responsible for setting performance measures linked to the SDP and reviewing progress and outcomes for the resources allocated.
E.1.3	The Governing Body shall ensure that income is collected prior to or at the point of delivery of service to external customers such as for lettings. Where invoices are issued for the collection of debts these shall be issued promptly and all action taken for recovery of that debt.	The Governing Body shall ensure that income is collected prior to or at the point of delivery of service. Where invoices are issued for the collection of debts these shall be issued promptly and all action taken for recovery of that debt.
E.1.5	The Governing Body shall ensure that all income received on behalf of the school is paid into the appropriate bank account at least weekly. Cash shall be held in a secure place until cashed. All income shall be banked intact – third party and personal cheques must not be cashed from money held on behalf of the school.	The Governing Body shall ensure that all income received on behalf of the school is paid into the appropriate bank account without delay. Cash shall be held in a secure place until cashed. All income shall be banked intact – third party and personal cheques must not be cashed from money held on behalf of the school.
E.1.6	The Governing Body shall ensure that a numbered receipt is issued, or a signed record kept, for all items of income collected on behalf of the school. A copy of all receipts must be kept and all forms of receipts must be treated as controlled stationery, i.e. numbered and kept in a secure place with all issues recorded. All receipts must be properly accounted for and accounts reconciled on a regular basis. Any major discrepancies in income collected against that banked must be immediately investigated and notified to the Audit and Investigations Service.	The Governing Body shall ensure that a numbered receipt is issued for all items of income collected on behalf of the school. A copy of all receipts must be kept and all forms of receipts must be treated as controlled stationery, i.e. numbered and kept in a secure place with all issues recorded. All receipts must be properly accounted for and accounts reconciled on a regular basis. Any major discrepancies in income collected against that banked must be immediately investigated and notified to the Audit and Investigations Service.

	Current Wording	Previous Wording
E.3.3	<p>The Governing Body shall ensure that the following principles apply to the allocation of duties in order to safeguard financial propriety.</p> <ul style="list-style-type: none"> The duty of providing information regarding sums due to or from the school and of calculating, checking and recording these sums shall be separated as completely as possible from the duty of collecting or disbursing them. Employees charged with the duty of examining and checking the accounts of cash transactions, shall not themselves be engaged in any of these transactions. Where this is not possible (due to a limited amount of staff) these should be countersigned. The procedures in place and the responsibility of officers should be in writing and available for examination. 	<p>The Governing Body shall ensure that the following principles apply to the allocation of duties in order to safeguard financial propriety.</p> <ul style="list-style-type: none"> The duty of providing information regarding sums due to or from the school and of calculating, checking and recording these sums shall be separated as completely as possible from the duty of collecting or disbursing them. Employees charged with the duty of examining and checking the accounts of cash transactions, shall not themselves be engaged in any of these transactions. The procedures in place and the responsibility of officers should be in writing and available for examination.
E.3.5	<p>The Governing Body shall ensure that an up-to-date list of authorised staff to sign official orders, certify invoices for payment, petty cash claims, timesheets and payroll changes is kept. This list should include specimen signatures and clearly identify the limits of each signatory's authority.</p>	<p>The Governing Body shall maintain an up-to-date list of authorised staff to sign official orders, certify invoices for payment, petty cash claims, timesheets and payroll changes. This list should include specimen signatures and clearly identify the limits of the each signatory's authority.</p>
E.4.1	<p>The Governing Body shall ensure that official orders are issued for all work, goods or services to be supplied to the school. Where it is not possible to issue an official order prior to procuring, there should be clear documentary evidence or clear notes made for the reason for being unable to do so – this may include emergency situations, absence of key staff to approve, or the use of procurement cards. In such instances orders should be entered retrospectively. Official orders are not required for utilities, i.e. the supply of gas, electricity, telephone or water supplies, or periodical payments such as rent and petty cash purchases. These must however be paid based on actual readings, at least once a year.</p>	<p>The Governing Body shall ensure that official orders are issued for all work, goods or services to be supplied to the school. Official orders are not required for utilities, i.e. the supply of gas, electricity, telephone or water supplies, or periodical payments such as rent and petty cash purchases. These must however be paid based on actual readings, at least once a year.</p>
E.4.6	<p>The Governing Body must ensure that:</p> <ul style="list-style-type: none"> unique pre-numbered official orders are used for all goods and services (except for supplies of utilities and periodical payments such as rent and petty cash purchases or other exceptional circumstances as outlined in E.4.1); orders are only used for goods and services provided to the school and not by individuals for obtaining goods and services for their private use. 	<p>The Governing Body must ensure that:</p> <ul style="list-style-type: none"> unique pre-numbered official orders are used for all goods and services (except for supplies of utilities and periodical payments such as rent and petty cash purchases); orders are only used for goods and services provided to the school and not by individuals for obtaining goods and services for their private use.

	Current Wording	Previous Wording
E.5.5	The Governing Body shall ensure that a register of periodic (regular) payments is kept to ensure that payments are made accurately and by the due date. Periodic payments include those made for ongoing rents and ground rents .	The Governing Body shall ensure that a register of periodic (regular) payments is kept to ensure that payments are made accurately and by the due date. Periodic payments are those made for rents, ground rents for many years, or petty cash purchases .
E.6.3	The Governing Body shall ensure that all emoluments to staff are only effected through payroll systems. This includes the payment of all salaries, wages, pensions, compensation, car mileage claims, other emoluments and the deductions from salaries for tax, superannuation and other deductions to and/or from all employees and former employees of the school shall be made through the payroll. For best practice, all claims in respect of public transport and subsistence costs should be made through the payroll, and not paid directly from petty cash or by cheque. On occasion a member of staff may require an advance where their start date is after the payroll submission date – in such instances this would be considered a cash advance as their salary would be processed through the payroll in the following month with an appropriate deduction for the payment. If in doubt, please seek advice from the LA.	The Governing Body shall ensure that all emoluments to staff are only effected through payroll systems. This includes the payment of all salaries, wages, pensions, compensation, car mileage claims, other emoluments and the deductions from salaries for tax, superannuation and other deductions to and/or from all employees and former employees of the school shall be made through the payroll. For best practice, all claims in respect of public transport and subsistence costs should be made through the payroll, and not paid directly from petty cash or by cheque.
Previously E.8.3	<i>Removed</i>	The Governing Body must notify the LA prior to committing funds in excess of £25,000 for primary or special schools, or £50,000 for secondary schools, and take into account any advice from the Strategic Director of Children & Young People as to the merits of the proposed expenditure.
F.1.4	The Governing Body shall: <ul style="list-style-type: none"> ensure that adequate risk management controls are implemented, monitored and reviewed; notify the relevant Insurance Service immediately of any loss, liability or damage that may lead to a claim against the school; notify the relevant Insurance Service of all new risks, properties or vehicles that require insurance and of any alternations affecting existing insurances; consult with the Chief Finance Officer and the Solicitor to the LA on any terms or any indemnity that the LA is requested to enter into on behalf of the school. 	The Governing Body shall: <ul style="list-style-type: none"> ensure that adequate risk management controls are implemented, monitored and reviewed; notify the Chief Finance Officer and the Strategic Director of Children & Young People immediately of any loss, liability or damage that may lead to a claim against the school; notify the Chief Finance Officer and Strategic Director of Children & Young People of all new risks, properties or vehicles that require insurance and of any alternations affecting existing insurances; consult with the Chief Finance Officer and the Solicitor to the LA on any terms or any indemnity that the LA is requested to enter into on behalf of the school.



	Current Wording	Previous Wording
F.4.4	<p>The Governing Body must:</p> <ul style="list-style-type: none"> ensure that the Head Teacher and other school officers respond within the given timescale to recommendations in both internal and external audit reports; ensure that agreed actions arising from the audit recommendations are carried out within the given timescales; monitor the reasons for any failure by the Head Teacher or other school officers to implement those audit recommendations. 	<p>The Governing Body must:</p> <ul style="list-style-type: none"> ensure that the Head Teacher and other school officers respond promptly to recommendations in both internal and external audit reports; ensure that agreed actions arising from the audit recommendations are carried out in a timely and efficient fashion; monitor the reasons for any failure by the Head Teacher or other school officers to implement those audit recommendations.
F.4.5	<p>It is advised that the Governing Body shall maintain a risk register within the school, informed by regular reviews and assessments of risks and to identify and document actions to mitigate those risks.</p>	<p>The Governing Body shall maintain a risk register for services and projects within the school, informed by regular reviews and assessments of risks and to identify and document actions to mitigate those risks.</p>
F.5.4	<p>The Governing Body must keep a service-based register of gifts and gratuities received by officers. Offers, gifts or inducements for favour shall be declined, fully recorded by the school officer or governor and reported and minuted at the next meeting of the Governing Body. This requirement does not extend to minor items which are considered to be of token value such as stationery, calendars, pocket diaries, chocolates, etc. The Governing Body must set a policy regarding the acceptance of any gifts and gratuities, which clearly stipulates a cash limit above which all items must be recorded.</p>	<p>The Governing Body must keep a service based register of gifts and gratuities received by officers. Offers, gifts or inducements for favour shall be declined, fully recorded by the school officer or governor and reported and minuted at the next meeting of the Governing Body. This requirement does not extend to minor items of stationery such as calendars, pens, etc.</p>
F.7.9	<p>Designated school officers shall maintain a record of all stocks and stores and shall provide the Schools Finance Team with such information as required on stocks and stores for year end accounting purposes.</p>	<p>Designated school officers shall maintain a record of all stocks and stores in a form approved by the Chief Finance Officer.</p>
Previous F.7.10	<p><i>Removed</i></p>	<p>The Governing Body shall provide the Strategic Director of Children & Young People with such information as required on stocks and stores for accounting purposes.</p>
Previous F.7.11	<p><i>Removed</i></p>	<p>The Strategic Director of Children & Young People shall ensure that where it is necessary to hold property on behalf of a member of the public or another third party, an itemised inventory is maintained of all such items. Each Governing Body shall make secure arrangements for such property and shall arrange for periodical checks by a person other than the employee responsible for the custody of the property.</p>

	Current Wording	Previous Wording
F.8.3	The Governing Body must appoint staff responsible for disposal whose name must be clearly identified in the disposal file. They should be instructed in writing on the disposal and will be accountable to the Governing Body and the Head Teacher for ensuring that disposal is for the best price reasonably obtainable.	The Governing Body must appoint a single person responsible for disposal whose name must be clearly identified in the disposal file. They should be instructed in writing on the disposal and will be accountable to the Governing Body and the Head Teacher for ensuring that disposal is for the best price reasonably obtainable.
Previous F.8.5	<i>Removed</i>	The Governing Body shall ensure all assets for disposal with a value exceeding £500 are subject to independent valuation and/or disposed of by way of either: <ul style="list-style-type: none"> • competitive bids following advertisement; • auction; • or both. This will ensure that the best price reasonably obtainable is achieved.
Previous F.8.6	<i>Removed</i>	The Governing Body shall ensure that where the estimated value of the asset is less than £500, an independent valuation is obtained, provided that the person giving the valuation is qualified to judge, is clearly identified in the disposal file, and is properly independent.
Previous F.8.8	<i>Removed</i>	The Governing Body shall ensure that where the estimated value of the asset exceeds £500, it is advertised in such a way as to facilitate bids by other schools and potential purchasers outside the LA. Sale should proceed by way of submission of written bids, which name the purchaser. The sale may proceed to the highest bidder, unless this does not reflect the proper value of the asset.