

Bury Council

Department for Children and Young People

For Approval

Proposed revisions to the Scheme for Financing Schools

The following sections have been updated to reflect changes in Government policy and changes in legislation.

- 8.3 Addition of an extra item where a school's budget share may be charged: the cost of an undisputed invoice for energy where a school has entered into an agreement with the Secretary of State for the supply of energy and failed to pay such an invoice (Regulation 23 of the regulations).

The following sections have been updated to reflect current practices.

- 3.6 addition of paragraph regarding recommended amount of delegation to head teacher.
- 4.1.4 amendment of paragraph regarding disposals
- 4.1.6 amendment of paragraph relating to writing off debts
- 4.8 amendment of paragraph relating to audit of private funds
- 4.9 amendment of paragraph relating to register of business interest
- 4.10 amended to update to current guidance
- 7.2 amendment of paragraph relating to charging policy
- 7.5 addition of a paragraph relating to the reconciliation of income received via online payments.

8.3 Circumstances in which Charges may be made

8.3.21 The Authority may charge a school budget share without the consent of the Governing Body for the cost of an undisputed invoice for energy where a school has entered into an agreement with the Secretary of State for the supply of energy and failed to pay such an invoice (Regulation 23 of the regulations).

3.6 Delegation of Powers to the Head Teacher

Whilst the governing body must determine the extent of delegated financial powers to the head teacher, the Authority would recommend this is no more than £ 7,000 for primary schools and £10,000 for secondary schools. Whatever level of delegation is identified, the governing body must ensure that the requirements for purchasing, tendering and contracts are still followed.

4.1.4 Control of Assets

Items for disposal shall be notified to Governors for their approval. Schools are free to determine their own arrangements for keeping a register of assets worth less than £1,000; however, they must keep a register in some form.

4.1.6 Writing Off Debts

Governing Bodies should set out internal procedures for writing off debts outlining who can authorise write-offs, up to what amount and how decisions are to be recorded. Governing Bodies may write off debts of up to £500 in an individual case. Anything in excess of this amount must be referred to the Local Authority for approval. Any debt written off which involves a member of staff or a governor must be referred to the Local Authority for approval. The loss of income involved in writing off the debts will be met from the school budget share.

4.8 Audit of Voluntary and Private Funds

Where an employee controls unofficial or voluntary funds, by virtue of their office, the Governing Body must ensure that adequate arrangements exist for the annual audit of these funds. Audited accounts, and the audit certification, shall be presented to the Governing Board for approval.

4.9 Register of Business Interests

In all cases the register must be updated on an annual basis with notification of changes and through annual review of entries. The register must be made available for inspection by Governors, staff, parents and to the Executive Director of Children's Services and their officers on request.

4.10 Purchasing, Tendering and Contracting Requirements

In line with the requirements at 4.1.3, orders for goods, work and services must be made on an official order.

In line with the Council's procurement guidelines, each Governing Body should, require the Head Teacher to obtain:

- One quote for contracts up to £10,000;
- three written quotes for contracts between £10,000 and £50,000.

Tendering is required for purchases in excess of £50,000.

Amounts identified above are for total contract value not individual items or payments. Contracts should not be split to circumvent procurement levels.

Where any work to be ordered may involve areas relating to health and safety, schools may wish to seek advice from the Authority on any insurance aspect of the work.

Where it is not practicable to raise a purchase order, e.g. 'in person' transactions, hotel bills, car park machines or for online bookings, a purchase card may be used in accordance with the Council's Purchasing Card Manual issued to cardholders.

7.2 Income from Fees and Charges

Schools will retain all income from fees and charges, except where a service has been provided by the Authority from centrally retained funds. Schools should have a charging policy. In developing a charging policy, Governors should have regard to the DfE's charging policy.

7.5 Administrative Procedures for the Collection of Income

If the Authority's online payment system is used by the school, reconciliation of income should be undertaken on a monthly basis, and the records must be retained in accordance with the record retention policy.