Financial operational procedures (summary)

<table>
<thead>
<tr>
<th>Committee with responsibility for this policy is the Full Governing Board</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Policy to be approved by the Full Governing Board</td>
<td></td>
</tr>
<tr>
<td>Policy last reviewed by the Full Governing Body</td>
<td>23/04/2018</td>
</tr>
<tr>
<td>Policy due for review</td>
<td>Summer 2021</td>
</tr>
</tbody>
</table>
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# A. ROLES AND RESPONSIBILITIES

<table>
<thead>
<tr>
<th>Role</th>
<th>Responsibility</th>
</tr>
</thead>
</table>
| GB                            | - Strategic financial framework  
- Setting aims/objectives  
- Ensure statutory financial compliance  
- Adopting Policies  
- Ratifying annual budget and scheme of delegation  |
| Finance Committee             | - Make recommendations to GB  
- Budget Monitoring and cost benefit analysis for proposals  
- SFVS audit  
- Discuss financial projections  
- Delegate day to day financial management to Headteacher  |
| Headteacher                   | - Overall responsibility and authority for financial management  
- Main signatory for payments leaving the school  
- Implementing policies  
- Strategic financial planning  
- Strategic SDP planning  
- Pupil number projections  
- Ensure financial systems and controls are in place  
- Authorisation to purchase £25,000 per-order  
- Delegate day to day financial management to the director of finance  |
| Director of finance & facilities | - To lead on strategic financial management across the school  
- To provide monthly budget updates for the Headteacher and termly for the relevant committee  
- To forecast pupil number projections and assess feeder preference data  
- To forecast 3 year budget projections  
- To benchmark school's performance against statistical neighbours  
- To provide recommendations for balancing the budget and future planning  
- Create different budget scenario’s, assessing KPI’s  
- Keep abreast of funding developments & explain changes for school setting  
- Reconcile payroll reports against budget, investigate discrepancies  
- Provide reports on bank reconciliation, cash flow & general ledger balances.  
- Put in place a finance policy and set up robust financial procedures  
- To complete End of Year financial accounts and financial audits (SFVS)  
- To ensure that all financial documents are traceable and auditable  
- Authorise itsrent expense claims, petty cash claims and segregation of duties  |
| Finance Assistant | To ensure the security of accounting records and retention of records  
| Authorisation to purchase up to £5,000  
| To provide regular reports for budget holders  
| Responsibility to comply with financial procedures  
| Complete year end accounts  
| In charge of Asset inventory, petty cash, bank visits, insurance claims  
| Budget Holder(s) | Day to day financial operations - PO, invoicing, payment run, cash collection  
| Authorisation to purchase up to £2,000 per order  
| Follow Value for money, best value and financial procedures  

B. Budget Holders

It is good practice for budget holders to map out what priorities they can foresee in a Department Development Plan to allocate interventions/resources against these. A ‘What, Why, When, Who, How much and Impact’ table can be useful. This will allow budget holders to track funds against priorities in the Department Development Plan and reduces the risk of unplanned expenditure or sporadic spending.

<table>
<thead>
<tr>
<th>What</th>
<th>Why</th>
<th>When</th>
<th>Who</th>
<th>How much</th>
<th>Impact</th>
</tr>
</thead>
</table>

Budget holders should try to ascertain best value when making decisions about:

- Allocations of resources, to best promote the aims and values of the school.
- Targeting resources to best improve standards and the quality of provision.
- The use of resources to best support the various educational needs of all pupils

Budget holders can achieve this by:

- Make comparisons with other/similar schools
- Challenge proposals, examining them for effectiveness, efficiency, and cost.
- Require suppliers to compete on grounds of cost, and quality/suitability of services/products/backup.
- Not wasting time and resources on investigating minor areas where few improvements can be achieved or to make minor savings in costs.

1. It is very good practice for budget holders to place ‘purchase order’ (PO) request forms with the finance department as this allows a financial commitment to be made against the allocated budget and massively reduces the chance of being overspent.

2. Budget holders cannot be overdrawn or be in a deficit budget at any time of the year, if this is seen all delegated powers to be a budget holder will be removed for the foreseeable future and reported to the Headteacher.

3. Budget holders cannot sign off orders (PO) that total more than £2,000, anything in excess of £2,000 must be referred to Director of finance, Deputy Headteacher or Headteacher
4. Individual Budget holders within the school are responsible for ensuring that expenditure necessarily charged to their budget (or income collected) is made relative to the teaching and learning priorities of the school.

5. All elements of the approved budget are the responsibility of the respective budget holder on whose authority monies may be spent from that budget.

6. Budget holders are responsible for all entries into their accounts and should use the ‘Budget Transaction Reports’ given by the finance assistant at the end of every month to identify areas of under/overspend or simply to reconcile items.

7. You must not make any purchasing commitments from any other budget you are not in charge of.

8. All Budget holders involved in the procurement process or financial decision are required to complete a declaration of interest at the start of the financial and/or academic year.

9. Budget holders are required to investigate all discrepancies, part deliveries or non-deliveries for orders placed via finance using the unique order number. If budget holders encounter problems with any suppliers the finance team will look into the order as a matter of urgency.

10. All Goods and services must only be ordered through an official school order raised by the Finance Assistant.

11. No telephone orders are to be placed unless you have an order number.

12. Any order placed without an official school order may not be paid by the school and the person responsible for bypassing the system will then be liable for payment. Your budget will be blocked and fined £25.

13. If you fail to return your goods received note after your 2nd reminder your budget will be blocked and fined £25.

14. Budget holders are required to leave surplus funds that will cover the cost of photocopying charges (recharged twice per year July and December).

15. Budget holders are advised to spend evenly throughout the year in line with Department Development Plans and avoid last minute purchases for resources.

16. Orders for large sums at the end of the purchasing year (end of Jan) to deplete surplus funds will be scrutinised, as these orders can be seen as sporadic unplanned spending, if this is found to be the case, your order will be cancelled and your budget allocation for the next financial year will be reviewed.
PURCHASING PROCEDURES
Ordering requirement thresholds

<table>
<thead>
<tr>
<th>Budget holder limit</th>
<th>1 quote (written)</th>
<th>2 quotes (written)</th>
<th>3 quotes (written)</th>
</tr>
</thead>
<tbody>
<tr>
<td>£1 - £3,000</td>
<td>£3,001 - £4,999</td>
<td>£5,000 - £25,000</td>
<td>£32,000 per order</td>
</tr>
</tbody>
</table>

VFM Checklist

Budget holder limit

£2,000 per order

STEP 1

- PO request forms must be completed and authorised by the Budget Holder.

Budget holders

Ordering Process

- Budget holder signs order
- Finance dept. signs order for Finance dept./Deputy/Dir
- HT
- Internal Po submitted
- Budget holder receives Goods and Services
- Deliveries are received
- Delivered items meet checks
- Holder/Dep/Dir
- Asset Labels and invoice issued

Separation of Duties

- Raise official order number
- Process official Po
- HT / Deputty/Dir
- Audit trail
- Records returned for cheque/BAC's sign
- Cheque/BAC's raised
- Finance dept.
• INTERNAL Purchase Order (PO) requests can be found in the staffroom.

• The Finance Assistant in the finance office and school intranet also holds PO’s.

• Each order must clearly state the nature of the goods or services required, the quantity to be supplied, and the agreed charge or estimated costs, together with a delivery address and any other relevant details.

• Once the PO request has been completed leave the PO in the Finance Office, (the purple tray is clearly marked Purchase orders only).

STEP 2
• The Finance Assistant will process the purchase order which raises a sequential number E.g. VHSF0123123 which is printed on Villiers High School headed paper.

• Your original order request and the official sequential order will go to the Headteacher for authorisation.

• Once the PO has been signed by the Headteacher, the Finance Assistant will ensure the order is either faxed (if urgent) or posted to the supplier.

• The Finance Assistant then places a copy of the order and goods received note (GRN) in the budget holders in tray, this confirms your order has been sent.

• Delivery time is dependent on the supplier’s stock; where possible collaborate with other members of staff if ordering from the same supplier to save on delivery charges.

• Once the order is received by the school the caretaker will deliver these to the destination specified on your PO. (Delivery is normally between 12-1pm daily)

STEP 3
• We are handling Public Money - always check your order for quality and quantity.

• Do not blindly sign the GRN. Use the suppliers’ delivery note against your PO, anything missing must be noted on the GRN.

• Ensure the GRN is returned to the finance office and is signed, dated and the destination/room written where possible by someone other than the person who signed the original order.

• This ensures segregation of duties. The GRN will then be filed with any relevant quotations, the copy order and subsequent invoice.

• If the goods are valued more than £50 and considered an asset to the school it will be asset labelled and tracked using a barcode system

• Accounts of budget holders will be fined with £25 and/or placed on hold as a last resort if three GRN’s are sent in one term or if any of the above procedures are not followed.
• Invoices will be checked & put together with all the other documents relating to the PO

• All the documents are checked thoroughly (Valid invoice, payment terms, VAT, total amounts, dates, supplier details, quotes, missing items) and processed for payment

• The Headteacher thoroughly checks every order and invoice before initialling the corner of each cheque and authorising payment.

• All the documentation is held in cheque order for audit trail purposes.

C. RECOMMENDED SUPPLIERS LIST
<table>
<thead>
<tr>
<th>Speciality</th>
<th>Name</th>
<th>Contact Details</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cleaning Material</strong></td>
<td>Summit Hygiene</td>
<td>01494 793414 <a href="mailto:sales@summithygiene.com">sales@summithygiene.com</a></td>
</tr>
<tr>
<td>GLS</td>
<td>Dave-07985843563</td>
<td><a href="mailto:sales@glsed.co.uk">sales@glsed.co.uk</a></td>
</tr>
<tr>
<td>WATCO</td>
<td>0483 418 418</td>
<td><a href="mailto:sales@watco.co.uk">sales@watco.co.uk</a></td>
</tr>
<tr>
<td>Ironmongery</td>
<td>0808 168 2828</td>
<td><a href="mailto:sales@ironmongerydirect.com">sales@ironmongerydirect.com</a></td>
</tr>
<tr>
<td><strong>Stationery/Furniture</strong></td>
<td>Consortium (20% discount)</td>
<td>Keith Kimber-07825 716036 <a href="mailto:orders@educationsupplies.co.uk">orders@educationsupplies.co.uk</a></td>
</tr>
<tr>
<td>GLS (15% Discount)</td>
<td>Dave-07985843563</td>
<td><a href="mailto:sales@glsed.co.uk">sales@glsed.co.uk</a></td>
</tr>
<tr>
<td>Viking Direct</td>
<td><a href="mailto:orders@vikingdirect.com">orders@vikingdirect.com</a></td>
<td></td>
</tr>
<tr>
<td>YPO</td>
<td>07976 866407- Zoe Kirkby <a href="mailto:orders@ypo.co.uk">orders@ypo.co.uk</a></td>
<td></td>
</tr>
<tr>
<td><strong>Paper</strong></td>
<td>Antalis McNaughton</td>
<td>03702430645-Jamie <a href="mailto:digital.sales@antalis.co.uk">digital.sales@antalis.co.uk</a></td>
</tr>
<tr>
<td>HBS</td>
<td><a href="mailto:sales@hbsgroup.net">sales@hbsgroup.net</a></td>
<td>0800 980 0192</td>
</tr>
<tr>
<td><strong>First Aid</strong></td>
<td>Eureka Direct</td>
<td><a href="mailto:sales@eurekadirect.co.uk">sales@eurekadirect.co.uk</a></td>
</tr>
<tr>
<td>Consortium</td>
<td>01202 493752</td>
<td>See Above</td>
</tr>
<tr>
<td>YPO</td>
<td></td>
<td></td>
</tr>
<tr>
<td>GLS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Viking</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Coach Hire</strong></td>
<td>Impact</td>
<td>020 8601 3555 – Sam</td>
</tr>
<tr>
<td>Barnet Coaches</td>
<td>01442 254944</td>
<td><a href="mailto:imperialcoaches1@hotmail.com">imperialcoaches1@hotmail.com</a></td>
</tr>
<tr>
<td>Imperial</td>
<td>0208 574 0028</td>
<td></td>
</tr>
<tr>
<td>New Bharat Coaches</td>
<td>020 8574 6817/2768</td>
<td></td>
</tr>
<tr>
<td><strong>Sports Equipment</strong></td>
<td>Sports Directory</td>
<td>01322 311233 <a href="mailto:sales@sportsdirectoryuk.com">sales@sportsdirectoryuk.com</a></td>
</tr>
<tr>
<td>Consortium</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
D. INCOME COLLECTION

The procedure has been set up to clarify and protect the organiser, pupils & accounting staff.
1. The collection of all income (e.g. from pupils to teacher, parents to teachers & teachers to finance staff) must be immediately acknowledged by the issue of an official pre-numbered receipt or by entry in a register or other record.

2. Receipt books can be obtained from the school/finance office.

3. Staff should ensure cash is counted into plastic bank bags in the denominations stated on the bag - these bags can be obtained from the Finance office.

4. The cash received form must be signed by the person who is depositing the money and by finance assistant/officer/director of finance, this is critical that both verify the amount at this stage, by signing the amount off, especially if it involves cash. This process must be adhered to in all circumstances.

5. Whenever any monies are handed from one member of staff to another, the signatures of the staff involved must evidence the transfer.

6. This will ensure that staff are protected in the event of a problem subsequently occurring.

7. Money collected from the pupils/staff is stored in the school safes immediately.

8. Income is banked promptly and in full. Paying-in slips show the analysis between cash and cheques and cheques are individually listed. Income is not used for making any payment or for cashing personal cheques.

9. Pending banking, cash and cheques are locked away in a secure safe.

Please do not:

- Collect money and put this into your own account to pay suppliers directly.
- Sell items to pupils and use this money in your petty cash tin or desk draw
- Use school money for ‘I owe you purposes’

### SCHOOL TRIP - Income and Payment Process

<table>
<thead>
<tr>
<th>Activity</th>
<th>Process</th>
<th>Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income</td>
<td>Collection of money</td>
<td>Organiser</td>
</tr>
<tr>
<td>Issue receipts</td>
<td>The collection of all income must be acknowledged by a receipt</td>
<td>Organiser</td>
</tr>
<tr>
<td>---------------</td>
<td>-------------------------------------------------------------</td>
<td>-----------</td>
</tr>
<tr>
<td>Collections Form</td>
<td>This is evidence of the amount of income collected</td>
<td>Organiser</td>
</tr>
<tr>
<td>Finance office</td>
<td>Fill out the cash received form, with income collected and bring to the finance office. The two staff involved in the transfer, from the organiser to the finance staff, countersign this form.</td>
<td>Organiser, Finance Team</td>
</tr>
<tr>
<td>Income deposited</td>
<td>All collections must be given to finance 10 working days before the departure of the activity (leaving enough time to raise payment)</td>
<td>Organiser, Finance Team</td>
</tr>
<tr>
<td>End of Journey</td>
<td>This form is a summary of the income and expenditure for the activity. If this is a residential this will be passed to Governors. Any surplus will be disturbed back to the payee.</td>
<td>Organiser, Finance Team</td>
</tr>
<tr>
<td>Banking</td>
<td>Amounts verified. Paperwork checked. Prepare bank paying in slips</td>
<td>Finance Team</td>
</tr>
<tr>
<td>ParentPay income</td>
<td>Payments can be made via ParentPay. The Finance team will keep the organiser informed of payments made but all payments must be made 10 days before the departure of the activity (leaving time to raise the payment)</td>
<td>Organiser</td>
</tr>
<tr>
<td>Cash Floats</td>
<td>A written request for a cash float must be made to the Head Teacher. This is only in extreme circumstances and can be rejected. On collection a ‘cash float form’ needs to be signed by the head teacher. The float and pending receipts are the responsibility of the staff member and must be reconciled with the finance team.</td>
<td>Organiser, Finance Team, Headteacher</td>
</tr>
<tr>
<td>Payment</td>
<td>Deposit or full payment to suppliers will be made on reconciliation of all the above. A cheque will be raised and signed in accordance with bank mandate.</td>
<td>Finance Team, Headteacher, Deputy Head</td>
</tr>
<tr>
<td>Payments abroad</td>
<td>All the above applies. Electronic bank transfer (foreign payment abroad with a charge) will be made and signed in accordance with bank mandate. Pending the following information: Transfer funds in name of Amount Currency IBAN number BIC code Beneficiary Bank Address Country</td>
<td>Organiser, Finance Team, Headteacher, Deputy Head</td>
</tr>
</tbody>
</table>

**Failure to follow any of the above could lead to the cancellation of the activity.**

### E. STAFF EXPENSES

After careful consideration in balancing the operational needs of the school, it has been agreed by the GB of Villiers High School that employees will be reimbursed by the school for the purchase of resources and travel and subsistence providing that they have...
been purchased wholly and exclusively for the benefit and retention of the school, and are justifiable in all respects.

The day to day management of the school is the Headteacher’s role, as delegated by the GB. It is for the Headteacher to decide if cash float purchases for certain departments and/or activities and small rewards/incentives (e.g. flowers) is necessary for meeting the operational needs in school improvement from time to time.

There are three claim forms:
1. Form E01 – School account
2. Form E02 – School account
3. Form E03 – Payroll

FORM E01

<table>
<thead>
<tr>
<th>Petty Cash</th>
<th>£25</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cheque</td>
<td>£25.01 - £75</td>
</tr>
</tbody>
</table>

1. Up to £25 will be reimbursed by petty cash.

2. Anything between £25.01>£75 will be reimbursed by cheque.

3. There should be no situation where an employee needs to purchase items such as IT and stationery without going through the purchasing process. (see section B)

4. To meet the operational needs of the school, some purchasing can occur outside of the school purchase ordering process. For example buying books from Amazon

5. All expenses must be authorised and no claimant may authorise their own claim.

6. By authorising transactions, the authoriser is confirming that the costs have been incurred and incurred necessarily for the purposes of the school and that there is sufficient budget to cover the expense and supporting documentation presented. (receipts)

7. All claims must be submitted within 3 months of the expense being incurred.

8. Claimants should ensure that only legitimate and accurate claims are made for expenses incurred for business use only.

9. All duplicate or fraudulent claims will be subject to a formal inquiry and investigation by Internal Audit and the Legal Department.

10. Fraudulent claims are regarded in a very serious light, and will result in the appropriate disciplinary action.

FORM E02

<table>
<thead>
<tr>
<th>Cash float Sign off</th>
<th>Director of finance</th>
<th>Headteacher</th>
</tr>
</thead>
<tbody>
<tr>
<td>£100</td>
<td>£101&gt;£300</td>
<td></td>
</tr>
</tbody>
</table>
1. It has been decided by the GB, considering the operational needs of the school a cash float request can be made to the Headteacher

2. A written request for a cash float must be made to the Head Teacher. It is up to the Headteacher to decide if the request is right and justifiable. The request must be authorised in advance and before any purchase is made. Governors understand the risks involved in this and are therefore applying a cap to the cash float of £300.

Both the claimant and the line manager approving them have a responsibility to ensure that all expenses are correctly submitted and accounted for with audit trails.

**FORM E03**

1. All travel and subsistence expenses claims and claims above the value of £75 must be made via iTrent Employee Self Service (ESS). Your username is your payroll no.

2. Make an appointment with the finance Team who will take you through this process.

3. iTrent claim forms must be accompanied with scanned VAT receipts, if applicable. Original receipts must be given to the finance department at the school.

4. Once you’ve submitted your claim on itrent fill out the E03 expenses claim form.

5. Have your line manager sign countersign the E03 form, attach your original receipts and hand this form to the finance department.

6. The director of finance can approve claims up to the value of £200; anything higher must be approved by the Headteacher.

7. The claim will be approved on itrent by the director of finance and included in the next available payroll run. The cut off period is the 4th of every month for payment on the 26th of the same month.

8. Headteachers’ expense claims are still processed by HR payroll; all other staff must claim their expenses through iTrent Self Service.

9. Follow this link for guidance on how to submit a claim on iTrent – hold down Ctrl + Click the link [http://www.egfl.org.uk/export/sites/egfl/categories/personnel/_docs/iTrent/iTrent_Self_Service_User_Guide_for_Schools_.pdf](http://www.egfl.org.uk/export/sites/egfl/categories/personnel/_docs/iTrent/iTrent_Self_Service_User_Guide_for_Schools_.pdf)

10. Make an appointment with the finance Team who will take you through this process.

11. iTrent claim forms must be accompanied with scanned VAT receipts, if applicable. Original receipts must be given to the finance department at the school.

12. Once submitted the original receipts and the E03 expenses claim form must be filled out and given to the finance department.

13. The director of finance can approve claims up to the value of £200, anything higher must be approved by the Headteacher.
14. The claim will be approved on iTrent by the director of finance and included in the next available payroll run. The cut off period is the 4th of every month for payment on the 26th of the same month.

15. Ealing council is required to report all expenses reimbursed to employees to HMRC.

**The Process - iTrent**

**Step 1 – Log in**

Log in at: [https://lbealli.webitrent.com/lbealli_selfservice/wrd/run/etadm001qf.open_ss](https://lbealli.webitrent.com/lbealli_selfservice/wrd/run/etadm001qf.open_ss)

1. Username: Six digit payroll number
2. Password: If logging in for the first time date of birth.

**Once logged in:**

**CLICK PAYROLL**
3. Click time and expenses claims

4. Click new time and expenses claim entry

5. Enter start date and claim template – Ealing expenses and mileage schools

6. Then click NEW

7. Fill out the details – use your name as the receipt number. E.g. Bloggs1, Blogg2 etc.
Click submit

Click receipt attachment and attach your scanned receipts

Re-enter your password and

SUBMIT

8. The claimant will receive an email confirming that their claim is awaiting authorisation by their manager.

9. The authorising manager will also receive an email to notify them that there is an expense claim awaiting authorisation.

10. The claimant will need to send off their original receipts to the finance department.

Step 2 – Authorising Manager

1. The authorising manager will log onto iTrent, view the claim against the receipts and authorise if appropriate.

2. If authorised, the claimant will receive an email notifying them that their expense claim has been authorised and forwarded onto the Expenses Team at Ealing Payrol for final authorisation.

3. If the claim is rejected, the claimant will receive an email notifying them of this.

4. The claimant then needs to log on and amend their claim before resubmitting it to their authorising manager.
Step 3 – Ealing Payroll (iTrent)

1. When the Expenses Team authorise the claim, they look for valid receipts and if these have been scanned.

2. The claimant will receive an email notifying them that this has been done, and they will be reimbursed in the next payslip.

3. If the Expenses Team do not authorise the claim the claimant will need to make the necessary changes before re-submitting it to their authorising manager. If this is the case please see the finance Team for further help.

4. Line managers are responsible for authorising expense claims before these are submitted through the iTrent system, ensuring that the claim has been appropriately completed with particular reference to:
   - Reasonable and appropriate amounts claimed
   - Valid and appropriate expense codes
   - Reference to receipts where appropriate
   - Correct mileage scheme
   - Genuine business expense

5. It is the line manager’s responsibility to re-assign the authorisation of expenses prior to taking annual leave or other absence in order that expenses can be processed on a timely basis. The delegation must be at least at the same level if not the level above.

The following table details permissible and non-permissible expenses:

<table>
<thead>
<tr>
<th>Permissible expenditure</th>
<th>Non – Permissible expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Car Travel</strong></td>
<td></td>
</tr>
<tr>
<td>Mileage Rates: please see the table attached to this document for Inner Borough rate, Out of Borough Rate, Motorcycles &amp; Bicycle. (You must provide business insurance and valid Mot certificate. Journey calculated on shortest distance from school.</td>
<td>Journeys that are between an employee’s home and normal place of work. Parking fines and other traffic offences Car Valet</td>
</tr>
</tbody>
</table>

1. To be able to claim car mileage, you must:

2. Show that you are covered for business miles on your insurance policy and should also show that you are covered for the period for which you are claiming

3. Submit a fully authorised car mileage claim form that must list each journey conducted on approved Council business only, together with supporting VAT receipts for petrol purchased.(the rates are below)

4. Drive the shortest reasonable route to destinations (calculated from the school)

5. Hold a valid full UK driving licence.
6. Secure and maintain insurance on the vehicle being used.

7. Ensure that any insurance secured meets with the minimum required by law under the Road Traffic Acts and explicitly covers the holder of the policy for business mileage.

8. Ensure that the vehicle used for Council business has a valid MOT certificate.

Mileage claims
From 1 April 2017 the revised rates payable are:

<table>
<thead>
<tr>
<th>Bicycle</th>
<th>20p per mile</th>
</tr>
</thead>
</table>

### Car (Inner Borough Rate)

<table>
<thead>
<tr>
<th>Essential users mileage allowance</th>
<th>451 - 999cc</th>
<th>1000cc and over</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual lump sum</td>
<td>£846</td>
<td>£963</td>
</tr>
<tr>
<td>Per mile - first 8500 miles</td>
<td>36.9p</td>
<td>40.9p</td>
</tr>
<tr>
<td>Per mile - after 8500 miles</td>
<td>13.7p</td>
<td>14.4p</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Casual users mileage allowance</th>
<th>451 - 999cc</th>
<th>1000cc and over</th>
</tr>
</thead>
<tbody>
<tr>
<td>Per mile - first 8500 miles</td>
<td>45.0p</td>
<td>45.0p</td>
</tr>
<tr>
<td>Per mile - after 8500 miles</td>
<td>13.7p</td>
<td>14.4p</td>
</tr>
</tbody>
</table>

### Motorcycles

<table>
<thead>
<tr>
<th>Engines up to 125cc</th>
<th>Engines 126cc and over</th>
</tr>
</thead>
<tbody>
<tr>
<td>18.45p per mile</td>
<td>36.9p per mile</td>
</tr>
</tbody>
</table>

### Public transport (Out of Borough Rate)

36.9p per mile
<table>
<thead>
<tr>
<th>Permissible expenditure</th>
<th>Non – Permissible expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Train Travel</strong></td>
<td></td>
</tr>
<tr>
<td>Up to 1st class fares will normally be reimbursed</td>
<td></td>
</tr>
<tr>
<td>Where an employee regularly purchases a travel card for travelling to and from work and then uses that same travel card for business use, this should not be claimed as an expense</td>
<td></td>
</tr>
<tr>
<td>If using Oyster card, print out statement</td>
<td></td>
</tr>
<tr>
<td><strong>Professional Subscriptions</strong></td>
<td></td>
</tr>
<tr>
<td>If you pay for subscription to a professional body and receive reimbursement, this then becomes a taxable benefit and will be reported to HMRC</td>
<td></td>
</tr>
<tr>
<td><strong>Books</strong></td>
<td></td>
</tr>
<tr>
<td>Where books have been purchased to assist with education/coursework will be deemed as taxable benefit and reported to HMRC.</td>
<td></td>
</tr>
<tr>
<td>If the books purchased will be used by others to assist in their roles, the books should be entered under the ‘Equipment’ heading for the claim. This would not be deemed as taxable. However, a supporting statement from your manager will be required</td>
<td></td>
</tr>
<tr>
<td><strong>Hotel &amp; Subsistence</strong></td>
<td><strong>Hotel &amp; Subsistence</strong></td>
</tr>
<tr>
<td>Overnight accommodation expenses where necessary will be reimbursed. Quotes from midrange establishments in the area to be obtained and approved in advance by the line manager</td>
<td>Meals nearby base of work with colleagues</td>
</tr>
<tr>
<td>Guidance for daily reimbursement of meals when not provided as part of hotel package: Breakfast - £6 (up to) Lunch - £8 (up to) Dinner inc soft drinks- £15 (up to)</td>
<td>Alcoholic Drinks</td>
</tr>
</tbody>
</table>
F.BEST VALUE

The GB is accountable for the way in which the school’s resources are allocated to meet the objectives set out in the SIP. Governors need to secure the best possible outcome for pupils, in the most efficient and effective way, at a reasonable cost. This will lead to continuous school improvement.

Governors will apply the four principles of best value:

<table>
<thead>
<tr>
<th>Challenge</th>
</tr>
</thead>
<tbody>
<tr>
<td>Is the school’s performance high enough? Why and how is a service provided? Do we still need it? Can it be delivered differently? What do parents want?</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Compare</th>
</tr>
</thead>
<tbody>
<tr>
<td>How does the school’s pupil performance and financial performance compare with all schools? How does it compare with LEA schools? How does it compare with similar schools?</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Consult</th>
</tr>
</thead>
<tbody>
<tr>
<td>How does the school seek the views of stakeholders about the services the school provides?</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Compete</th>
</tr>
</thead>
<tbody>
<tr>
<td>How does the school secure efficient and effective services? Are services of appropriate quality, economic?</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>When?</th>
<th>Who?</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Governors and staff will apply the principles of best value when making decisions about:</td>
<td></td>
</tr>
<tr>
<td>• The allocations of resources to best promote the aims and values of the school.</td>
<td></td>
</tr>
<tr>
<td>• The targeting of resources to best improve standards and the quality of provision.</td>
<td></td>
</tr>
<tr>
<td>• The use of resources to best support the various educational needs of all pupils.</td>
<td></td>
</tr>
</tbody>
</table>

Governors and Staff will:

• Make comparisons with other/similar schools using data provided by the LEA and the Government.

• Challenge proposals, examining them for effectiveness, efficiency, and cost.

• Require suppliers to compete on grounds of cost, and quality/suitability of services/products/backup.

• Will not waste time and resources on investigating minor areas where few improvements can be achieved or to make minor savings in costs.

<table>
<thead>
<tr>
<th>Monitoring</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expenditure will be monitored for best value by Governors (through the Finance, Fabric and Facilities Committee), Headteacher, Leadership Team and Finance Team.</td>
</tr>
</tbody>
</table>
G. DISPOSAL AND WRITE OFF POLICY

No item of permanent, major or minor equipment must be thrown away without the permission of the Headteacher.

Whenever stocks or items are disposed of, an entry should be made in the appropriate stock record or inventory showing why the disposal took place, by what method it took place, and who authorised it.

**DISPOSALS**

<table>
<thead>
<tr>
<th>Value Range</th>
<th>Authority</th>
</tr>
</thead>
<tbody>
<tr>
<td>£1 - £1,000</td>
<td>Headteacher</td>
</tr>
<tr>
<td>£1,001 &gt; £4,999</td>
<td>Finance Committee</td>
</tr>
<tr>
<td>£5,000 &gt;</td>
<td>Governing Body</td>
</tr>
</tbody>
</table>

1. The Headteacher shall be authorised to dispose of surplus, damaged or scrap stock, materials or equipment on the best possible terms, where the estimated realisable value of the materials does not exceed £1000.

2. Where the estimated realisable value exceeds £1000, the approval of the Governing Body/Finance Committee shall be obtained.

3. If the estimated realisable value of the materials is in excess of £50 but does not exceed £1000, the proposed disposal shall be advertised on the staff notice board and/or email where staff will be invited to submit sealed bids for the items.

4. If the estimated realisable value of the materials is in excess of £1000, quotations shall be invited from at least two sources external to the school.

5. Staff, however are not precluded from also submitting bids.

**WRITE OFFS**

<table>
<thead>
<tr>
<th>Value Range</th>
<th>Authority</th>
</tr>
</thead>
<tbody>
<tr>
<td>£1 - £500</td>
<td>Head teacher</td>
</tr>
<tr>
<td>£501 - £2,000</td>
<td>Finance Committee</td>
</tr>
<tr>
<td>£2,001 &gt;</td>
<td>Governing Body</td>
</tr>
</tbody>
</table>

1. The Headteacher shall be authorised to write off any debt owing to the school up to a value of £500 for any one item.

2. Provided that he/she is satisfied that proper steps have been taken to mitigate the loss and prevent a recurrence.

3. Any debt in excess of this shall be written off by the Governing Body/Finance Committee.

H. EBAY GUIDANCE
After careful consideration and balancing the operational needs of the school in ascertaining best value it has been agreed purchases from Amazon and ebay will be allowed for books and not for equipment or electrical items because of warranties and safety issues. These suppliers should only be used sparingly.

However there is a considerable amount of risk to schools (financial, reputational, professional/management) surrounding the use of EBAY. Very often the “costs” outweigh the benefits. It can be a very time consuming process with issues over:

1. Descriptions and time taken to address potential buyer’s queries
2. Valuations – who should have this responsibility
3. Arranging viewings
4. Delivery – arrangements/charges have to be very clear
5. Collection – PAYPAL will only cover goods where you can provide proof of delivery to the buyer’s registered address via a recognised carrier
6. Cost of posting fees and end of auction percentages taken by EBAY
7. Incurring costs in the event of advertised items not being sold
8. Income has to be apportioned for VAT
9. The need for a separate credit/debit card
10. Awareness of the level of liability in the event of fraud
11. Responsibility for safety of items bought/sold
12. Items purchased may not be covered by guarantees
13. Distance Seller Regulations (DSR) favour the buyer with the right of return etc.
14. Even if the seller has correctly described the goods. If the buyer changes their mind strictly under DSRs the seller should fully refund and pay for the returned goods to be collected from the buyer’s address.
I. SCHOOL PURCHASE CARD

The GB has approved the use of the Purchase Card (PCard) – Meeting date 3rd March 2015

1. Purchasing Card Issue

The PCard shall be issued by RBS, the council’s bankers.

2. Credit Limit

The PCard shall have a spending limit controlled by the Council. These limits are inclusive of any VAT, carriage charges etc.

<table>
<thead>
<tr>
<th>Cardholder</th>
<th>Single Transaction limit</th>
<th>Monthly limit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Head teacher</td>
<td>£1,000</td>
<td>£5,000</td>
</tr>
<tr>
<td>Director of finance</td>
<td>£500</td>
<td>£2,500</td>
</tr>
</tbody>
</table>

3. Use of PCard

- The primary method of payment remains invoicing and this should generally be used in preference to card purchases where the supplier offers such.
- The PCard is intended for use on an exceptional basis only e.g. booking courses, purchases via the Internet.
- The Head teacher will ensure that there is budgetary provision for all purchases and that there is sufficient balance available in the bank to cover expenditure.
- PCards must only be used after the correct authorisation to purchase has been obtained and must be for items that can be justified in all respects.
- The PCard must not be used for personal expenditure/cash withdrawal under any circumstances; failure to observe this will lead to the card being withdrawn and possible disciplinary action.
- To prevent improper use of the card, merchant / retailer types will be restricted by the Council to prevent expenditure on non-approved items. In cases of emergency, these blocks can be removed temporarily by LBE administrators.
- All authorised PCard Holders must sign to accept that they have personal responsibility for transactions on “their” PCard, and PCards must not be loaned to any other person in any circumstance.
- If any unauthorised purchases are made, then the school has the authority to recover the cost of these transactions, either by personal payment from the PCard holder or by salary deduction for the unauthorised amount.

4. Security

- The PIN number for each PCard shall be known only by the cardholder and not disclosed to anyone else or written down.
• No PCard Holders are allowed to change their PIN to anything obvious e.g. DOB / School telephone number or the same PIN as other PCard Holders within the school.

• In the event of loss of the PIN number the bank will be able to provide the PCard Holders only with the information.

• Should the PCard be lost or stolen the cardholder must report the loss immediately to RBS, the police, the school bursar and the Head teacher.

• Should fraud or misuse be suspected, the bank and LBE Schools’ Finance Section should be informed immediately so that the appropriate action can be taken.

• Expired cards must be cut up into pieces and disposed of. The PCard Holder and office staff should witness this.

5. Procedure for purchasing supplies including Internet

• The cardholder makes the Card transaction via the telephone, internet, fax or on a face-to-face basis.

• A school requisition must be completed promptly and must be authorised by the official signatory/ies as per Scheme of Delegation.

• **The school will need to set up a “Supplier” called RBS Purchase Card.**

• It is not necessary to set up each supplier (eBay, Amazon etc.), as it is RBS that payments will be made to.

• Cardholders must get the total price including p&p and delivery charges, check availability and confirm the delivery date.

• Supplier’s terms and conditions should be read carefully prior to undertaking a purchase to ensure they are acceptable to the school.

• For example ensure you are clear on the delivery and returns policy, that you can return any unsatisfactory items and whether you will get a refund or merchant credit before completing an online transaction.

• PCard Holders must not split to avoid the transaction limit control.

**Problems with supplies**

• The PCard Holder should advise discrepancies or other problems with the goods supplied immediately to the supplier, and problems must be resolved by them directly to enable the PCard Holder to retain control of the transaction.

• If there are any items under dispute with the supplier they should be clearly marked as such in the log. They should also remain as outstanding PO’s.
Receipt of Goods

- PCard Holders should notify other staff when delivery is expected so that the delivery can be checked against what was ordered and signed for.

- If damaged or incorrect goods are received the PCard Holder must contact the supplier and arrange for replacement or return.

- In this case the PCard Holder must request that the Supplier credits the PCard account.

- Credits should be recorded in the transaction log and the PCard Holder must ensure that they appear on the next monthly statement.

Internet Purchases

- Purchases over the Internet must only be used where the good or services cannot be effectively or economically obtained via traditional methods, and the school considers that best value is being achieved.

- RBS will refund losses occurring as a direct result of fraud, but only if the cardholder has not been negligent. Therefore PCard Holders must never buy from a company whose trading address is not featured on its web site.

- The PCard Holder must only purchase from secure sites (those displaying “https” at the start and displaying a padlock symbol).

- Internet orders must only be processed on a school computer that is linked to the Internet through the school firewall.

- PCard/ payment information must not be sent to a merchant via email or instant messenger (MSN Messenger etc.). If payment cannot be sent via a secured web page, then cardholders should telephone the supplier instead.

- PCard Holders must never give personal details that are commonly used for identification (e.g. mother’s maiden name) over an insecure Internet connection.

- Individuals ordering goods and services should make it clear that these are being ordered on behalf of the school e.g. electrical warranties will not be valid otherwise.

- When orders are placed with the supplier an order confirmation will usually be displayed or an email received. This must be printed off and kept with the authorisation to purchase (along with all transaction documentation and associated emails).

- The school must also consider the risks when using the Internet to look at their PCard balances etc., and ensure that the account is password protected.

- Schools must not click on links to on-line shops in emails, as they may link to fraudulent sites, and addresses should be typed manually.
6. Record keeping, Payment of the bill & Reconciliation

- There must be clear segregation of duties between the PCard Holder incurring expenditure and the officer reconciling and authorising the monthly statement.

- Statements must be addressed and sent to the Head teacher at the school.

- The PCard balance must be settled in full automatically each month by direct debit thereby avoiding PCard interest charges.

- Schools need to ensure that any supplier refunds are re-credited to the PCard account correctly.

- The PCard Holder’s log must be updated.

- A requisition for the PCard transaction must be entered in the school finance system as soon as possible, to ensure the completeness of the accounting records and ready to be reconciled when the bank statement reaches the school.

- All receipts must be authorised by either the Head teacher, Chair of Governors or designated person to show a clear audit trail.

- PCard Holder must present the receipt/delivery note for the goods/services

- On receiving the monthly One Card statement, PCard Holders must ensure that they have had the goods or services for all the transactions charged and that charges are accurate and match the receipts and transaction log.

7. VAT issues

- VAT rules still apply to purchases made using the PCard therefore VAT receipts must be obtained.

- Please inform suppliers that they should be sending Vat invoices/receipts to the school and not to LBE Central Accounts Payable.

8. Potential transaction issues

- Card declined – check you have not exceeded the transaction/monthly card limit or are using a supplier that is in the Blocked Merchant category.