Tarleton Holy Trinity Church of England (Aided) Primary School

www.tarletonholytrinity.org

Policy

School Finance Policy

Including:

- Internal Financial Regulations Policy
- School Charging and Remissions Policy
- Control of Assets Policy
- Billing and Debt Management Policy
- Lettings policy (including Lettings Charges and Transfer of Control Agreement)
- Scheme for paying Governors expenses

Tarleton Holy Trinity Church of England (Aided) Primary School

School Finance Policy

This policy reflects the Christian ethos and vision statement of our school.

Our Vision Statement

Value… Dream… Achieve…
As a loving Christian family, our aspiration is for all pupils to flourish, safe in the belief that we, "…can do all things through Christ, who strengthens us" Phil 4:13.
Everyone is valued, we all achieve and our dreams for the future begin.

1. Internal Financial Regulations Policy (adopted LCC policy Summer 2025)

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

1.1 Each year, on receipt of its funding allocations from the authority / ESFA the Governing Body shall establish appropriate budget headings for the school as a whole under which the budget shall be controlled and determine the initial budget allocation to each heading, the consistent financial reporting (CFR) framework is recommended. Any changes to budget allocations following notification by the Authority of the previous year's surplus / deficit brought forward shall be determined by the Governing Body.

1.2 The Headteacher may sub-divide the budget determined by the Governors on a departmental or other basis in order to facilitate day-to-day administration and control.

1.3 The Headteacher is empowered to exercise virement between budget headings approved by the Governors. The maximum virement level being £5,000, or 10% of the budget heading from which resources are being transferred (whichever is the lower in total for any heading during the year). All virements undertaken shall be reported to the Governors at their next meeting. Virement in excess of this figure requires the prior approval of the Governing Body. Increases to expenditure headings offset by increases in anticipated income can be undertaken by the headteacher providing there is evidence to substantiate the additional forecast income, these virements should also be reported to governors.

1.4 The Headteacher shall establish suitable arrangements for the control and monitoring of expenditure against budget headings (e.g. SIMS FMS).

1.5 The school should have a realistic, sustainable, and flexible financial strategy in place for at least the next 3 years, based on realistic assumptions about future funding, pupil numbers and pressures. In order to set a well-informed and balanced budget each year, schools will need to assess the main influences on the budget on the basis of the best available information and make a forward projection of its budget, Schools should integrate budget setting with their wider plans for school development to ensure that resource allocations match their school’s priorities, including both revenue and capital funds, for at least three years. This is a requirement of SFVS. The Governing Body shall consider financial forecasts, ideally on a termly basis using the best / latest information available, including realistic pupil number projections and can it move quickly to recast the budget if the projections and the reality are materially different

1.6 To enable the governing body to meet their statutory responsibilities for the financial management of the school and so they can safeguard the large amounts of public money for which they are responsible. It is important that the monitoring reports are produced regularly and shared with the governing body or finance committee at times when action can be taken on them to good effect. DfE and ESFA recommend that governors should receive the monitoring reports and have an opportunity to raise questions or concerns at least 6 times a year. Prompt, accurate and up-to-date financial information should be readily available at the appropriate levels within schools. To achieve this, schools will require clearly defined and properly used channels of reporting to the governing body on a regular basis, which should include the finance committee. The governing body should review the income and expenditure against the budget at a meeting at least 3 times a year. A school that is well managed financially will report different levels of detail, with a suitable narrative explanation to different users. Monitoring reports for the governing body should include numeric information, including about the profiled budget, spend to date and end of year projections. They should also include a brief narrative covering report that highlights what the main variations are, briefly explains the reasons for the variations and suggests what would be appropriate corrective action. In addition, the Headteacher shall inform the Governors immediately if significant overspendings are likely to occur, resulting in the school budget falling into a financial deficit position.

1.7 The Governing Body shall consider the appropriate level of reserves and balances at the school.

2.0 CHOICE OF SUPPLIERS AND CONTRACTORS

2.1 The Governing Body is responsible for ensuring that purchases and contracts entered for the supply of goods and services must comply with Lancashire County Council Procurement Rules for Schools, link below:
Appendix R - Procurement Rules.pdf (lancashire.gov.uk)

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

- ◊ orders or contracts of up to £9,999 may be entered into with a minimum of one quote, although at least three are recommended;

- ◊ for contracts or purchases between £10,000 and £74,999 in aggregate value, at least three written quotes are required;

◊ contracts over £75,000 in aggregate value must be publicly advertised and tenders invited for each contract.

Contract Procurement Activity Requirements for **Execution of Works** by Value (for construction, procurement, and supply of materials for construction, testing and completion of the Works)

◊ orders or contracts of up to £24,999 may be entered into with a minimum of one quote, although at least three are recommended;

◊ for contracts or purchases between £25,000 and £99,999 in aggregate value, at least three written quotes are required;

◊ contracts over £100,000 in aggregate value must be publicly advertised and tenders invited for each contract.

2.2 The Headteacher shall maintain a record and copies of all quotes and tenders received and retain for audit inspection.

2.3 The governing body and school staff have a responsibility to avoid any conflict between their business and personal interests and affairs and those of the school.
Governing bodies/boards of maintained schools are legally required to maintain a register of business interest, which lists for each member, including the headteacher, any declared actual or potential conflicts of interests. This record should record any business interests that they, their partner or member of their immediate family have, that might affect their relationship with the school and/or their decision-making, i.e. employment and election to political bodies or corporate boards.
There is no requirement as to how a declaration should be made but it is important the governing board has in place a system to identify and manage any conflicts of interest declared.

◊ financial – interests in a contract or proposed contract by direct or family connection

◊ appointment – interests in the provision for sponsor governors or interests in someone's appointment, reappointment or suspension from office as a governor or clerk to the governing body

◊ pay and performance – interests in the pay or appraisal of someone working at the school in cases where the governor or staff member is also paid to work at the school

The person concerned shall be excluded from any meeting whilst the contract or other matter which relates to their or their immediate family's business interest is being considered and voted upon. The general principle is that no-one should be involved in a decision where his or her personal interests may conflict with those of the governing body.

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

2.5 The requirement for tenders or written quotations may be waived when a purchase is made under a contract arranged by Central Government or the County Council since arrangements have already been made for securing competition for such contracts.

2.6 Where the Governors have established an approved list of suppliers or contractors, any order shall be placed with an appropriate supplier from that list.

2.7 Building maintenance orders shall only be placed with contractors who have adequate insurance.

2.8 The Headteacher shall maintain a record of all sponsorship received by the school, including the sponsor's name and details of cash / goods received, date of receipt and use made of cash / goods.

3.0 LOCAL BANK ACCOUNTS

3.1 The Governors shall decide, after consultation with the Headteacher, whether to operate a local bank account.

3.2 The decision to change the school's banking arrangements shall be made in sufficient time to give the Authority four months' notice, new bank accounts can only be opened at the start of a financial year.

3.3 The Governors, in consultation with the Headteacher, shall be responsible for the selection of the bank with which the account is to be placed.

3.4 The Headteacher shall be responsible for ensuring that adequate arrangements are in place for the administration of the account in accordance with the bank account scheme issued by the Authority.

4.0 AUTHORITY TO INCUR EXPENDITURE AND PLACE ORDERS

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

4.2 All orders for goods or service contracts of value (£20,000) and above or with an annual commitment of more than that amount shall be subject to the prior approval of the Governing Body.

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

◊ the duties of authorisation of orders and the certification of accounts for payment are not performed by the same person and wherever practicable, the duties of ordering shall be performed by the more senior person.

◊ all orders shall be signed in his/her own name by the Headteacher or by an officer authorised by the Headteacher. A record of specimen signatures must be maintained of these authorised officers.

◊ all invoices shall be certified for payment by an officer authorised by the Headteacher. A record of specimen signatures must be maintained of the officers authorised to certify invoices.

5.0 DETERMINATION OF STAFFING ESTABLISHMENT

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

6.0 CONTROL OF ASSETS

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

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

7.0 USE OF SCHOOL PREMISES

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

7.2 Where the school has discretion relating to charges for use of school premises, these charges are determined by the Governing Body and shall be reviewed on an annual basis to ensure that overall there is no net additional cost borne by the school budget.

8.0 UNOFFICIAL SCHOOL FUNDS

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

8.2 The Headteacher shall inform the Governing Body at the end of each school year of the unofficial funds which are in existence or have existed during the year, indicating the general purpose of each fund.

8.3 The Headteacher shall submit to the Governing Body as soon as possible after the end of each school year a summary of the accounts of each voluntary fund signed by the Headteacher and the auditor appointed by the Governing Body.

8.4 The Headteacher shall submit annually to the Authority, confirmation that financial regulations and procedures are in place for any unofficial funds operated by the school and that the funds have been audited and signed by a suitably qualified person, who is independent of that fund.

8.5 The Headteacher must retain a copy of the unofficial school fund accounts in school for Authority Audit purposes, which will be requested as required.

9.0 CONSIDERATION OF AUDIT REPORTS

9.1 Audit reports relating to the school produced by the Authority or the County Council's external auditors must be considered by the Governing Body.

9.2 Governors should approve any action plan arising from the audit and monitor implementation of that plan to ensure that all agreed action has been taken.

10.0 INCOME

10.1 The Governing Body shall determine a charging policy for the supply of any goods or services.

10.2 The Headteacher shall ensure that all income due to the school is accounted for in accordance with the school's charging policy.

10.3 Bad debts up to the value of (£200) may be written off by the Headteacher without the prior approval of the Governing Body or nominated Committee. The Headteacher must report all such write-offs to the next meeting of the Governing Body or nominated Committee.

10.4 For bad debts in excess of (£200), the prior approval to write off must be obtained from the Governing Body, or a nominated Committee.

11.0 GIFTS AND HOSPITALITY

11.1 Prior approval should be sought, where possible, from the Headteacher before school staff accept any gift or hospitality that is estimated to be beyond a face value of £25. Gifts should not be in the form of cash or securities; the gift or hospitality is a one-off and not repeated on a regular basis; and the gift or hospitality is given openly, not secretly.

11.2 Any offer or receipt of gifts or hospitality with a token value of above £25 shall be declared and the Headteacher should maintain a register of all declarations of gifts and hospitality. Completed declaration forms should be completed within 10 days of the date of the gift or hospitality. The register will be open to inspection by the Chair of Governors and / or LCC Senior Officer (including LCC Audit) as appropriate and reported to the Governing Body and recorded in the Minutes of the Meeting.

Updated Summer 2025

2. School Charging and Remissions

INTRODUCTION

- Each Governing Body must establish and keep under review a charging and remissions policy that complies with statutory requirements and has regard to the Authority's policy statements on charging.

- No charges apply unless the governing body of the school or local authority has drawn up a charging policy giving details of the optional extras or board and lodging that they intend to charge for, and a remissions policy.

- A draft charging policy for schools is suggested in Appendix A, schools can adapt this to their own circumstances within any statutory requirements.

REGULATORY FRAMEWORK

- Sections 449-462 of the Education Act 1996 sets out the law on charging for school activities in schools maintained by local authorities in England.

- Academies are also required through their funding agreement to comply with the law on charging for school activities.

- There are also charging regulations for music tuition during the school day. (The Charges for Music Tuition (England) Regulations 2007) which came into force from 1 September 2007. Appendix B indicates specific guidance on these charging regulations.

KEY POINTS

- School governing bodies and local authorities, subject to the limited exceptions referred to in this advice, cannot charge for education provided during school hours (including the supply of any materials, books, instruments or other equipment).

- Schools must ensure that they inform parents on low incomes and in receipt of defined benefits of the support available to them when being asked for contributions towards the cost of school visits.

LINKS TO GOVERNMENT GUIDANCE: -

- Charging for school activities (publishing.service.gov.uk)

- **https://www.legislation.gov.uk/uksi/2007/2239/pdfs/uksiem_20072239_en.pdf**
- The Education (Charges for Early Years Provision) Regulations 2012 (legislation.gov.uk)

Schools cannot charge for the following activities:

- Education provided wholly or mostly during school hours. This includes the supply of any materials, books, instruments, other equipment and also transport provided in school hours to carry pupils between the school and an activity;

- Education provided outside school hours if it is part of the National Curriculum, or part of a syllabus for a prescribed public examination which the pupil is being prepared for at the school, or part of religious education;

- Instrumental and vocal music tuition for pupils learning individually or in groups, unless the tuition is provided at the request of the pupil's parent / carer.

- Entry for a prescribed public examination if the pupil has been prepared for it at the school

- Examination re-sit(s) if the pupil is being prepared for the re-sit at the school (note: if a pupil fails, without good reason, to meet any examination requirement for a syllabus, the fee can be recovered from the pupil's parents)

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

- Any materials, books, instruments, or equipment, where the child's parent wishes him/her to own them;

- Optional extras (see below);

- Music and vocal tuition, in limited circumstances (see above);

- Certain early years provision (see the Education (Charges for Early Years Provision) Regulations 2012);

- Community facilities. (See S27 Education Act 2002).

Optional Extras

Charges can charge for some activities, often referred to as 'optional extras'. This includes:

- Education provided outside of school time that is not:

    - part of the national curriculum;

- part of a syllabus for a prescribed public examination that the pupil is being prepared for at the school;
- part of religious education.

- Examination entry fee(s) if the registered pupil has not been prepared for the examination(s) at the school;

- Transport (other than transport that is required to take the pupil to school or to other premises where the local authority/governing body have arranged for the pupil to be provided with education);

- Board and lodging for a pupil on a residential visit (subject to remission arrangements);

- Extended day services offered to pupils (for example breakfast clubs, after school clubs, tea and supervised homework sessions).

Can we ask for voluntary contributions from parents to activities where we have no power to charge?

Nothing in legislation prevents a school governing body from asking for voluntary contributions for the benefit of the school or any school activities. However, any requests for voluntary contributions are subject to the following conditions:

- Any children of parents who do not wish to contribute will not be treated any differently;

- Where there are insufficient contributions to make the activity viable then the activity will be cancelled. This should be made clear to parents from the outset.

All requests to parents for voluntary contributions must make it quite clear that the contributions would be voluntary and that there is no obligation to contribute.

Can we charge for educational visits?

Schools **cannot** charge for the following:

- Education provided on any visit that takes place during school hours;

- Education provided on any visit that takes place outside school hours if it is part of the national curriculum, or part of a syllabus for a prescribed public examination that the pupil is being prepared for at the school, or part of religious education;

- Supply teachers to cover for those teachers who are absent from school accompanying pupils on an educational visit.

Schools **can** charge for board and lodging and the charge must not exceed the actual cost.

When a school informs parents about a forthcoming visit, they should make it clear that parents receiving specified benefits, usually equating to pupils being eligible for free school
meals (due to the receipt of specified benefits, not through the introduction of universal infant FSM) will not be charged for board and lodging.

SCHOOL CHARGING AND REMISSIONS POLICY (APPENDIX A)

INTRODUCTION

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

CHARGING POLICY

Activities without charge

There will be no charge for the following activities:

- Education provided wholly or mostly during school hours. This includes the supply of any materials, books, instruments, other equipment and also transport provided in school hours to carry pupils between the school and an activity;

- Education provided outside school hours if it is part of the national curriculum, or part of a syllabus for a prescribed public examination which the pupil is being prepared for at the school, or part of religious education;

- Instrumental and vocal music tuition for pupils learning individually or in groups, unless the tuition is provided at the request of the pupil's parent / carer.

- Entry for a prescribed public examination including re-sits if the pupil has been prepared for it at the school;

- Examination re-sit(s) if the pupil is being prepared for the re-sit at the school.

Voluntary Contributions

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

- Any children of parents who do not wish to contribute will not be treated any differently;

- Where there are insufficient contributions to make the activity viable, or the school cannot fund it from some other source, then the activity will be cancelled.

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

Chargeable Activities

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

- Any materials, books, instruments, or equipment, where the child's parent wishes him/her to own them;

- Optional extras (see below);

- Music and vocal tuition, in limited circumstances. (See Appendix B);

- Certain early years provision (see the Education (Charges for early years provision) regulations 2012);

- Community facilities. (See s27 education act 2002).

Optional Extras

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

- Education provided outside of school time that is not:

    - part of the national curriculum;
    - part of a syllabus for a prescribed public examination that the pupil is being prepared for at the school;
    - part of religious education.

- Examination entry fee(s) if the registered pupil has not been prepared for the examination(s) at the school;

- Transport (other than transport that is required to take the pupil to school or to other premises where the local authority/governing body have arranged for the pupil to be provided with education);

- Board and lodging for a pupil on a residential visit (subject to remission arrangements)

- Extended day services offered to pupils (for example breakfast club, after-school clubs, tea and supervised homework sessions where this is run under the responsibility of the governing body).

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

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

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

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

REMISSIONS POLICY

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

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

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

MUSIC TUITION - APPENDIX B

Link to Government guidance: -
https://www.legislation.gov.uk/uksi/2007/2239/pdfs/uksiem_20072239_en.pdf

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

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

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

The regulations make clear that charging may not be made if the teaching is either an essential part of the national curriculum, or is provided under the first access to the key stage 2 Instrumental and Vocal Tuition Programme. They also make clear that no charge may be made in respect of a pupil who is looked after by a local authority (within the meaning of section 22(l) of the Children Act 1989). Children Act 1989 (legislation.gov.uk)

3. Control of School Assets Policy

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

It is recommended that:

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

These will include computer equipment, audio/visual equipment, musical instruments, cleaning or handicrafts equipment or any other 'desirable' items which the school may possess.

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

2. The stock report is updated regularly

Items should be entered into the stock record as soon as possible after their receipt or disposal by the school, or their loss through theft or damage. To facilitate this, it is useful to nominate a person to be responsible for the custody and control of stock items; in a larger school there may be several staff responsible for items held in each faculty area. The date of additions or disposals should be recorded in the stock record.

3. Items are clearly identified in the stock record

There should be sufficient detail in the stock record to allow individual items to be identified. To assist this process, serial numbers, in addition to make and model numbers, should be recorded. Schools may wish to enhance control by the marking of reference numbers on each item, which could then be recorded in the stock record.

4. Regular stock checks are undertaken

Physical checks of equipment and stores against relevant records should be undertaken at least annually by a person not responsible for their custody and control.

The number of items in stock should be verified and the stock record signed and dated by the checking officer. Larger schools may wish to stagger the stock checking process to prevent all faculties being checked at the same time.

5. Discrepancies are reported to the Governors

Governors should be informed of discrepancies between the actual and recorded stock where the value exceeds (£200).

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

Governors should ensure that assets purchased by the school are disposed of in an appropriate manner. A policy should be drafted setting out who has authority to declare items to be obsolete, surplus, or damaged beyond repair, and the means of disposal.

Where items are to be sold, Governors should be aware of their responsibility to follow local authority Standing Orders relating to contracts for sales but at all times should seek to achieve the best price for the items being sold. Where Governors choose not to accept the highest offer, their reasons for not doing so should be recorded and retained at the school. When disposing of equipment, it is important to be aware of information assurance responsibilities, i.e. ensuring that any data is wiped from any IT, documents are cleared from furniture draws etc.

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

The same person should not be responsible for the custody and control of assets and the disposal and receipt of income for assets. Where payment is received at the school, a receipt showing the VAT element, if appropriate, should be issued to the purchaser, and the income banked to the school budget. The school will receive the net income in their delegated budget.

8. Delegation to school staff of Governors responsibilities is clearly recorded and approved

Where Governors choose to delegate their responsibilities for controlling assets to school staff, the extent of delegation should be clearly shown in the approved Internal Financial Regulations of the school. Further delegation to teaching or administrative staff should be recorded and staff made aware of their responsibilities.

DISPOSAL OF ASSETS

Use of Ebay

INTRODUCTION

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

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

2.0 POLICY

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

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

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

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

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

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

As the risk of using Ebay sits with the School it is up to individual schools to weight up the risks and benefits and then make an informed decision on whether to proceed with the use of Ebay. This is a guide only and if Schools are going to make use of Ebay it is for each school to determine its own procedures for use and to be mindful of the potential risks involved.

A comprehensive record should be maintained of all items sold to support the information held on Ebay. This could be in the form of a spreadsheet which clearly documents all income and expenditure in date order. All invoices and receipts should be retained to support these records. Evidence should be printed from Ebay as it is unclear how long these records are retained.

Each transaction should have a clear audit trail and the documents will have to be retained in line with the document retention guidelines.

a) In order to sell an item a user name and associated details need to be registered, ie:
- a user name;

- name and address of registered user;
- contact details, telephone number and email address;
- bank account, credit card details or a Paypal account in order to charge the user with fees for selling.

For non-bank account schools this obviously causes problems as it will probably have to be a named individual.

b) Even though a school might have an unofficial school fund bank account this should not be used as the income is most likely to be official income.

c) Fees are due for listing the item and also from a percentage of the final selling price. The amount of fees charged for listing an item is dependent on the starting price. The higher the starting price the higher the fees.

d) Consider starting everything at a low starting price, as this may attract the most interest. **Unless there is an absolute minimum amount required for a particular item**.

e) If items are to be posted or collected by courier, ensure the postage charges on the listing cover the actual costs.

f) If large items (eg furniture) are listed, perhaps consider the need to stipulate that items can only be collected in school time. This may create its own problems with bidders not honouring the winning bid and not turning up.

g) Problems may be experienced with buyers complaining about damaged or faulty goods. Consider having a policy of no refunds or a no returns policy or be prepared to accept returns with the obvious hassle this brings.

h) Inevitably, queries will be received from prospective bidders. Need to ensure someone is available to monitor emails and answer the questions.

The points above are merely intended to highlight the potential problems and pitfalls from using ebay by schools. It is for individual schools to decide whether ebay is used and how, bearing in mind the need for accountability and transparency. Given the issues above, it is anticipated that if schools do go ahead then responsibility for selling, paying fees, accounting for the income and for answering queries or problems will rest with one individual and not the school. However, there are obvious control issues with this, not least accounting for the income.

If schools do go ahead then comprehensive records and robust procedures need to be put in place to account for all items sold this way. This needs to be formally approved by governors.

4. Billing and Debt Management Policy

1.0 Introduction

1.1 Under the Scheme for Financing Schools in Lancashire, schools have the power to issue their own invoices and determine their own policy for debt recovery including the issue of reminders, authorisation for write-off of debt etc.

1.2 There are three options available to schools relating to raising bills on debtors. These are:

- Schools may use their FMS accounts receivable module to raise their own bills. Any school requiring training should contact Lancashire Education Digital Services (LEDS).

- Schools may raise bills locally by using alternative computerised/manual systems. If a school elects to set up their own system, they need to be aware of the key controls which need to be established with any system of debt management. These are described in paragraph 2 below.

- Schools may request the Business Support Team to raise bills on their behalf.

1.3 Where the value of goods and services is relatively small, payment should be obtained as and when the goods or services are provided wherever possible. This will help to minimise administrative costs and prevent default on debts.

1.4 Schools should have a Debt Management Policy agreed by the Governors for the management of any debt. A draft policy is included at Appendix B with suggested amounts and time periods for follow up. Schools can determine their own policy to suit their own particular circumstances.

2.0 Debt Management - Key Controls

2.1 The following key controls need to be established within any system of debt management:

The amounts due are correctly calculated

- charges are in accordance with the charging policy of the governing body which should be reviewed annually

- source documents are in sufficient detail to enable the correct charge to be levied

- VAT is charged where appropriate by raising a VAT invoice (VAT Guidance can be found at https://schoolsportal.lancsngfl.ac.uk/view_sp.asp?siteid=733&pageid=1006&e=e)

There is a clear link between source document and bill

- bills are cross-referenced to source document which records bill number and date. This should prevent duplication of bills.

- all source documents relating to the debtor and associated debt are retained.

- under the Limitation Act 1980 no legal recovery action can take place six years after the date of the debt became known to the claimant. For practical purposes this is regarded as six years from the date of the invoice. Schools should therefore retain all documentation relating to the debtor for six years from the date of the invoice.

Prompt and effective recovery action is taken for all unpaid bills

- reminders are issued in accordance with the policy of the governing body and any action taken is noted.

NB: For any bills raised on behalf of schools by the Authority (https://schoolsportal.lancsngfl.ac.uk/corporate/web/viewdoc.asp?id=116577), the Authority's Debt Management Policy is applied. This is currently:

Individual debtors

- debtors are expected to pay invoices immediately
- first reminder is issued after 21 days
- final reminder is issued after a further 14 days
- a follow up call to the debtor is made by the Income and Debt Management Team prior to consideration of referral for legal action.

Other debtors e.g. commercial, groups.

- debtors are expected to pay invoices immediately
- final reminder is issued after 28 days
- a follow up call to the debtor is made by the Income and Debt Management Team prior to consideration of referral for legal action.

Payments received from debtors are properly accounted for

- wherever possible there should be adequate separation of duties, ie the person raising the bill and collecting and receipting the income should be different
- all payments relating to bills raised should be acknowledged by the prompt issue of an official receipt
- the school records/copy bill should be noted with the date and receipt number relating to the payment

The issue, amendment, cancellation or write-off of bills are properly controlled

- bills are raised promptly, pre-numbered sequentially and dated
- any VAT invoice must include Lancashire County Council's VAT registration number (GB 155 7121 74)
- bills should require cheques to be made payable to Lancashire County Council (or for bank account schools the school bank account)

- a control record of all bills is maintained

- school records/copy bills are retained for all bills raised

- invoices must only be cancelled (in part or fully) when the original invoice is subsequently found to be incorrect or should not have been raised. Cancellations should not be made to invoices due to the debt not being recovered. In these instances, debt should be written off subject to appropriate approval.

- copies of any cancelled bills are retained on file and authorised in writing by a nominated person

- all write-off of bills after appropriate reminders/recovery action has been taken is properly authorised in accordance with policy approved by the governing body and recorded in the school records/on the copy bill

- all income received is banked promptly and bill number(s) recorded on payment into bank books.

DEBT MANAGEMENT POLICY

1.0 INTRODUCTION

1.1 The Governing Body is responsible for ensuring that procedures are in place for the recovery of any outstanding debt.

1.2 This policy sets out procedures for debt recovery and for the write-off of any debt which is deemed to be irrecoverable.

2.0 POLICY

2.1 Payment should be obtained as and when goods and services are provided wherever possible; in particular where the value of the goods and services is relatively small, i.e. less than £100.

2.2 Where payment is not received at the time when the goods or services are delivered an invoice must be raised as soon as possible but normally within 10 working days after a debt becomes due.

2.3 Invoices should require immediate payment.

2.4 Final reminders should be issued if no payment is received within 28 days. The final reminder should make it clear that legal action will be considered if payment is not received within a further 14 days.

2.5 At each Governing Body/Finance Committee meeting, the headteacher is required to inform the governors of any debt which is still outstanding after the 14-day period following the final reminder together with any proposed action. This may be a referral to a debt collection agency, to solicitors for legal action or to write-off the debt if there is no realistic prospect of debt recovery being successful or if further action is not cost-effective.

2.6 Outstanding debt of up to £200 may be written-off by the headteacher provided that the appropriate follow-up action outlined above has been taken and the details of the debtor, amount of write-off and reason for no further action being taken is reported to the Finance Committee for information at their next meeting.

2.7 Write-off of outstanding debt in excess of £200 must be approved by the Finance Committee following submission of details of the debt by the headteacher together with reasons for no further action being taken.

5. Schools Financial Services Lettings Guidance

Introduction

The Governing Body should regard the school buildings and grounds as a community asset and should make every reasonable effort to enable them to be used as much as possible, although this situation may be reviewed in light of any potential health and Safety requirements during a Covid-19 or similar outbreak. However, the overriding aim of the Governing Body should be to support the school in providing the best possible education for its pupils, and any lettings of the premises to outside organisations should be considered with this in mind.

The school's delegated budget (which is provided for the education of its pupils) should not be used to subsidise lettings by community or commercial organisations. Charges should be levied to meet the additional costs incurred by the school in respect of lettings of the premises. Within this framework, schools may charge some organisations more than cost and subsidise other users provided that overall charges for community use at least cover additional costs.

Definition of a Letting

A letting may be defined as '*any use of the school premises (buildings and grounds) by either a community group (such as a local music group or football team), or a commercial organisation*
(such as a local branch of 'Weight Watchers')". A letting must not interfere with the primary activity of the school, which is to provide a high standard of education for all its pupils.

Use of premises for activities such as staff meetings, parents' meetings, Governing Body meetings and extra-curricular activities of pupils supervised by school staff, fall within the corporate life of the school. Costs arising from these uses are therefore a legitimate charge against the school's delegated budget.

Lettings Policy

The Governing Body is responsible for adopting a lettings policy for the use of the school premises. A draft policy is provided at Appendix A. This should be reviewed on an annual basis. Charges to be levied should include the following:

- Cost of services (heating and lighting)
- Cost of staffing (additional security, caretaking and cleaning) – including "on-costs"
  ➢ Cost of administration ➢ Cost of "wear and tear"
- Cost of use of school equipment (if applicable) ➢ Profit element (if appropriate).

Where there are multiple lettings taking place at the same time, the costs for services and staffing may be shared between the organisations involved.

VAT

In general, the lettings of rooms for non-sporting activities is exempt of VAT, whereas sports lettings are subject to VAT (although there are exemptions under certain circumstances).

The VAT regulations for sports lettings are included in the lettings application form at Appendix B (para 5). Guidance can be found on the schools' Portal at:- https://schoolsportal.lancsngfl.ac.uk/view_sp.asp?siteid=733&pageid=14399&e=e
For further advice on VAT relating to lettings, please contact the County Council's VAT Team (Tel. 01772 531636).

Insurance

The school must ensure that the Hirer has appropriate public liability insurance to cover all its legal liabilities for accidents resulting in injuries to persons (including all participants in the activity for which the premises are being hired), and/or loss of or damage to property, including the hired premises, arising out of the letting. The minimum limit for this insurance cover is £5 million. The hirer must produce the appropriate certificate of insurance cover before the letting can be confirmed.

Neither the school, nor the Local Education Authority, will be responsible for any injury to persons or damage to property arising out of the letting of the premises.

Management of Lettings

The Headteacher is responsible for the management of lettings, in accordance with the Governing Body's policy. Where appropriate, the Headteacher may delegate all or part of this responsibility to other members of staff, whilst still retaining overall responsibility for the lettings process.

The Administrative Process

Organisations seeking to hire the school premises should approach the Headteacher (*or other designated member of staff),* who will identify their requirements and clarify the facilities available. A lettings application form (Appendix B) should be completed at this stage.

Once a letting has been approved, a letter of confirmation should be sent to the hirer, setting out full details of the letting and enclosing a copy of the terms and conditions of the hire agreement. The person applying to hire the premises will be invoiced for the cost of the letting, in accordance with the Governing Body's current scale of charges. (*Schools may wish to seek payment in advance in order to reduce any possible bad debts).*

All lettings fees which are received by the school should be paid into the school's budget in order to offset the costs of services, staffing etc (which are funded from the school's delegated budget). Income and expenditure associated with lettings should be regularly monitored to ensure that at least a "break even" situation is being achieved.

For long term lettings application forms should also be reconsidered on an annual basis.

August 2022

LETTINGS POLICY

1. The Governing Body actively encourages community use of the school buildings. However, it reserves the right to refuse any lettings it may choose.

2. The hirer must be willing to meet with school officials and provide details of their aims and objectives.

3. The Governing Body will ensure that the school budget does not subsidise non-school activities and that all costs are recovered. Charges will be reviewed annually by the Governing Body.

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

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

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

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

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

9. All hirers must comply with health and safety legislation.

10. The hirer is responsible for ensuring that DBS checks have been undertaken where appropriate.

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

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

13. Alcoholic Drinks –

a. An occasional licence must be obtained where appropriate. The Licensee is responsible for conduct of bar sales, etc.
b. No alcohol is to be stored or retained on the premises when pupils are in school.

Appendix B

USE OF SCHOOL PREMISES **APPLICATION FORM NO:**

1 Name of Organisation: _____

Name of Applicant: _____

Address: _____

_____

_____ **Telephone:** _____

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

_____

3 Details of premises required:

(a) Name of School: _____

(b) Date(s) required: _____

_____

_____

(c) Accommodation Required.

TYPE OF	TICK IF REQUIRED	TIME FROM	TIME TO
Classroom Number Required:			
Assembly Hall			
Arts Theatre			
Sports Hall			
Gymnasium			
*Swimming/Learner Pool			
*Squash/Tennis Court			
*Netball/Playing/Cricket Pitch			
Running Track			

ADDITIONAL			
Changing room only			
Changing room and shower			

Please state here any additional requirements			

4 Purpose for which accommodation/premises are required: _____

_____

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

(b) Will the general public be admitted? YES* NO *(delete as appropriate)*

(c) Details of admission charges: _____

(d) Is copyright music to be performed? YES* NO *(delete as appropriate)*

(e) Will the use of a piano be required? YES* NO *(delete as appropriate)*

(f) Approximate number of people attending: _____

(g) Is alcohol to be served YES* NO *(delete as appropriate)*

(h) Do you intend to use/bring into the premises any additional electrical equipment:
(see note 6 below) *(delete as appropriate)* YES* NO

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

5 VAT Regulations Relating to the use of Sports Facilities

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

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

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

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

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

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

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

SIGNED: _____

OM BEHALF OF: _____

DATE: _____

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

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

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

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

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

I/We hereby undertake to provide at my/our own expense during the period hire of any swimming pool suitable and sufficient lifeguard personnel as based on the guidance of the Health and Safety Executive and as detailed in the
"Instructions for the Use of Swimming Pools".

Under no circumstances does this letting give the user exclusive possession.

(The hirer should produce evidence that this indemnity is protected by adequate insurance cover).

Signature _____

Designation _____

Date _____

SCHOOL USE ONLY

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

(delete as appropriate)

YES	NO

2 The Governors have determined that this will be:-

(a) A free letting

(delete as appropriate)

YES	NO

(b) A chargeable letting at a cost of £…… per hour/session Plus VAT where applicable

3 Lettings income will be collected * by the school / by the Authority on our behalf. ** (delete as appropriate**)***

Signed …… *(Headteacher)*

6. MODEL SCHEME FOR PAYING GOVERNORS' ALLOWANCES

1. Governors may claim allowances in respect of actual expenditure incurred whilst attending meetings of the governing body and its committees, undertaking governor development and otherwise acting on behalf of the governing body in accordance with the School Governance (Roles, Procedures and Allowances) (England) Regulations 2013, Part 6.

2. Governors cannot be paid attendance allowance or for any loss of earnings.

3. All governors and associate members are eligible to claim allowances in accordance with this scheme.

4. All such payments will be paid from the school's delegated budget, and therefore subject to the same budgetary control, authorisation, and audit arrangements as other items of official expenditure.

Eligible Expenses

5. Categories of eligible expenditure are as follows:

- Care arrangements:

  Child care or baby sitting expenses, where these are not provided by a relative or partner; Care arrangements for an elderly or dependent relative, where these are not provided by a relative or partner;

- Telephone calls and postage;

- Travel;

- Subsistence.

Allowance Rates/Reimbursement

6. Rates at which allowances/reimbursements are payable will be considered on an individual basis and recognise the current rates at the time of the claim:

Care Arrangements:	Actual costs incurred (hourly rate), for the care of a child (under 14 years) or an elderly or dependent relative requiring full time care will be considered. For the purposes of this policy, a carer is identified as anyone other than an existing or former spouse or partner, a responsible person who normally lives in the family home.
Travel Rates:	Where the return journey from home to school by the shortest practicable route travelling expenses for the excess mileage only will be considered payable at the approved teachers mileage rate determined by the LA. If travel is undertaken by means of public transport, actual expenditure will be reimbursed. However, where more than

one class of fare is available, the rate shall be limited to standard-class fares.

Subsistence: Under normal circumstances no expenses will be provided for subsistence. However, if additional expenses are incurred because work as a governor requires taking meals (ie breakfast, lunch or dinner) away from school reimbursement will be considered for the food/drink items bought on the day

Criteria for Claims

7. All claims must be authorised by the chair or headteacher and submitted to school by the end of each term for consideration. Claims for travel and subsistence expenses outstanding for more than six months will not be accepted. Any claim will be considered on an individual basis.

8. Receipts/Invoices must be supplied to support claims for reimbursement.

9. In the case of telephone calls, an itemised phone bill should be provided identifying the relevant calls.

Financial Systems

10. The school's normal systems for authorising and processing payments will apply to claims made under this scheme.

11. Any claims will be considered on an individual basis and current rates, at the time of the claim, will be applied.

Further information:

None school employees have a gross annual salary of £100,000 or more in increments of £10,000

Information regarding Tarleton Holy Trinity's finance expenditure can be found on the schools financial benchmarking website

Tarleton Holy Trinity Church of England (Aided) Primary School

Document reviews

We are aware of the need to review our school's documents regularly so that we can take account of:
new initiatives, changes in the curriculum, developments in technology etc.

This policy was adopted in September 2025

and will be reviewed in September 2025

Signed by:

Member of staff responsible for this policy

……

Governor responsible for this policy

……