

## **Briefing note for Schools in North Yorkshire**

Purpose:

The purpose of this briefing note is to provide schools with an update from Schools Finance.

### **1.0 Finance Manual [School Finance Manual | CYPInfo \(northyorks.gov.uk\)](#)**

We are currently in the process of updating the School Finance Manual. This update will include the amendment to the Scheme for Financing Schools that was approved at the Schools Forum on 16/09/2021. For clarity, an additional paragraph will be added to Section 4.9 Licensed deficits of the NYCC Scheme for Financing Schools:

*Where a school is under a licensed deficit agreement any additional cash payments made, in order to ensure that the school are not overdrawn at the bank, will be treated as a cash advance and not a loan. This will have no effect on the school's budget and outturn statement.*

Please note all revised chapters will include the date that the chapter was reviewed on the link.

### **2.0 Themed audits**

As per the North Yorkshire County Council Audit Plan, Veritau have recently conducted three themed audits at a number of schools within the county. The overall conclusion was that there is generally a sound system of governance, risk management and control in place. However, there were some issues identified and the recommendations are summarised below:

#### **2.1 Changed Payment Process**

- a. Any new or amended financial working process in schools are supported by written procedure notes which are maintained in a centrally accessible location.
- b. Purchase orders should be completed for all transactions expected within a school (please refer to Chapter 7 of the School Finance manual for full guidance).
- c. Schools to be aware of the electronic purchase order template that is available from NYCC Business Support.
- d. A valid VAT invoice must be obtained for purchases over £250 made using a North Yorkshire County Council purchase card to ensure VAT incurred can be recovered, although a simplified receipt can be used for lower value items.
- e. Purchasing card transactions must be appropriately evidenced and accounted for correctly, please see [Procurement & Best Value | CYPInfo \(northyorks.gov.uk\)](#) for further details on the required process.
- f. Bank reconciliations should be counter signed by the Head Teacher or another authoriser (please refer to Chapter 18 of the School Finance manual for full guidance)

#### **2.2 Payroll**

- a. Schools to update ResourceLink in an appropriate timescale to reflect any changes made to Fixed Term contracts.
- b. Staff to complete self-certification forms in a timely manner when they return to work after short term sickness

#### **2.3 Free school meals and the Covid winter grant scheme**

- a. Schools should provide school meal vouchers to entitled parents, the distribution of cash should be avoided. This ensures that the funding is used for its intended purposes.
- b. Private bank card of a school employee should not be used to make purchases, for example vouchers, on behalf of the school
- c. Schools to maintain evidence to support their expenditure and distribution of vouchers issued during the period of school closures.
- d. Schools to ensure that IT records are correctly maintained and updated to record IT equipment allocated to staff and loaned to pupils.

### **3.0 Recovery premium funding** [Recovery premium funding - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/recovery-premium-funding)

On 06/09/2021 the DfE published their guidance on the additional funding in the 2021 to 2022 academic year to support schools with education recovery following COVID-19. All schools eligible for pupil premium are eligible for recovery premium and it will be allocated using the same data. There will be four payments to schools during the 2021 to 2022 academic year and mainstream schools will get:

- £145 for each eligible pupil in mainstream education
- £290 for each eligible pupil in a special unit

There is a minimum payment to ensure that an eligible primary/secondary school will not receive less than £2,000/£6,000

Please ensure that you read the guidance for full details, including utilisation of the funding.

### **4.0 Upcoming areas of work**

4.1 In light of recent events, planning is underway to ensure that the LA would have business continuity in the event of a cyber-attack. The Schools Finance Team will contact you in due course to confirm the LA arrangements for schools if this was to occur.

4.2 In response to the DfE transparency agenda, we will shortly issue a note on the requirement to record related party transactions.

### **5.0 Key dates**

Please be aware of the following key dates:

2022/23 School Funding Consultation submission deadline: 22/10/2021

2021/22 Revised Financial Forecast submission to the LA deadline: 31/12/2021

2021/22 School Financial Value Standard (SFVS) submission to the LA deadline: 31/03/2022 (please ensure that you schedule for the SFVS to be considered by your Governing Body in order to meet this deadline)