

<b>Section</b>	<b>Reason For Change</b>	<b>Original Text</b>	<b>2021 Amended Text</b> Changes are in <b>Bold</b> .
Throughout	Department and team name changes	Children and Young People's Services School Finance C&YP Environment and Resources	<b>Children and Families</b> <b>C&amp;F Finance</b> <b>C&amp;F</b> <b>Resources</b>
Throughout	Consistent naming of LA	Local Authority Nottinghamshire Authority County Council The Council	<b>LA</b>
Para 1.2	Removed reference to previous regulations	As part of the new funding framework, the Nottinghamshire Scheme for the Local Management of Schools ceases to have application to schools from the end of the 1998/99 financial year. Elements of this, specifically Financial Regulations for Locally Managed Schools and the Nottinghamshire School Bank Account Scheme, are incorporated within the new Scheme.	<b>[Deleted]</b>
Para 1.5	Bringing NCC Scheme in line with DfE guidance	[new sentence]	<b>Where the Schools Forum does not approve them or approves them subject to modifications which are not acceptable to the LA, the LA may apply to the Secretary of State for approval. It is also possible for the Secretary of State to make directed revisions to the Scheme after consultation, such revisions become part of the Scheme from the date of the direction.</b>
Para 1.6	Bringing NCC Scheme in line with DfE guidance	[new sentence]	<b>The first formal budget plan of each financial year must be approved by the Governing Body, or by a committee of the Governing Body.</b>

Section	Reason For Change	Original Text	2021 Amended Text Changes are in <b>Bold</b> .
Para 2.1.1	Remove reference to Grant Maintained schools as no longer have any	...with the exception of GM and GM special schools at 1 April 1999 which may continue to use the financial systems that they operated up to 31 March 1999 subject to any modifications needed to meet the requirements of the scheme.	<b>[Deleted]</b>
Para 2.1.4	Title changed in line with DfE guidance	Control and security of assets	<b>Control of assets</b>
Para 2.1.4	Bringing NCC Scheme in line with DfE guidance	Records of all portable, desirable, valuable and uniquely identifiable items of equipment shall be maintained on the official inventory forms obtainable from the Corporate Director, Environment and Resources or in another format approved by the Corporate Director, Environment and Resources (e.g. computer records).	<p><b>An inventory of all moveable non-capital assets worth £1,000 or more should be maintained. As a minimum the inventory list should include:</b></p> <ul style="list-style-type: none"> <li>• <b>Line number</b></li> <li>• <b>Description of the item</b></li> <li>• <b>Make/model</b></li> <li>• <b>Date received</b></li> <li>• <b>Serial Number</b></li> <li>• <b>Location</b></li> </ul> <p><b>Schools may choose to include other assets worth less than £1,000 on this inventory and record additional information as they see fit. It is recommended that schools keep an inventory of all portable and desirable items.</b></p>
Para 2.3.1	Bringing NCC Scheme in line with DfE guidance (whole section reworded)	Where schools have been notified of budget shares beyond the current financial year, the LA <b>may</b> request all schools to submit a financial forecast covering each year of that multi year period.	<p><b>The LA requires schools to submit a 3 year budget by 31st May.</b></p> <p><b>This information will be used to support the LA balance control mechanism outlined in section 1.2 of the scheme.</b></p>

Section	Reason For Change	Original Text	2021 Amended Text Changes are in <b>Bold</b> .
		<p>If requested this information will be used to support the LA balance control mechanism outlined in section 4.2 of the scheme.</p> <p>The following deadlines will be applied for the return of multi year forecasts.</p> <p><u>Schools with Surplus Balances</u> Schools identified as having a surplus balance in excess of the limits outlined in section 4.2 will be required to submit a financial forecast as outlined above by <b>31<sup>st</sup> May</b> each year.</p> <p>The financial forecast will be in a format prescribed by the LA. This will be notified to all schools in advance of the start of each financial year.</p>	<p><b>The financial forecast will be in a format prescribed by the LA. This will be notified to all schools in advance of the start of each financial year.</b></p> <p><b>Schools are also asked for multi-year financial forecasts as part of other sections of this scheme. For example, as part of a loan application or a deficit recovery plan.</b></p>
Para 2.4	Title changed in line with DfE guidance	Efficiency and value for money	<b>School resource management</b>
Para 2.4	Bringing NCC Scheme in line with DfE guidance	[new sentence]	<b>There are significant variations in efficiency between similar schools, and so it is important for schools to review their current expenditure, compare it to other schools and think about how to make improvements.</b>
Para 2.6	Name change of regulations and various wording changes	<p>CIPFA code of practice for Internal Audit 2006</p> <p>An internal audit examination of accounting, financial and other activities of the school shall be undertaken...</p>	<p><b>Public Sector Internal Audit Standards</b></p> <p><b>As a minimum</b>, an audit of accounting, financial and other activities of the school shall be undertaken...</p>

Section	Reason For Change	Original Text	2021 Amended Text Changes are in <b>Bold</b> .
		<p>...The Service Director - Finance, Infrastructure &amp; Improvement shall have the responsibility to ensure that sound systems of financial management and internal control have been established and are being maintained within schools...</p> <p>...Where schools choose not to engage the County's Internal Audit Services they must inform the County's Head of Internal Audit promptly of the audit provider engaged. The school must also supply a copy of the final audit report and the school's responses to recommendations made to the County's Head of Internal Audit within four weeks of receiving their report...</p>	<p>...The Service Director - Finance, Infrastructure &amp; Improvement shall have the responsibility to <b>monitor</b> systems of financial management and internal control <b>across all LA maintained schools</b>...</p> <p>...Where schools choose not to engage the <b>audit service offered by the LA</b> they must inform the Service Director – Finance, Infrastructure &amp; Improvement promptly of the audit provider engaged. The school must also supply a copy of the final report and the school's responses to recommendations made to the Service Director – Finance, Infrastructure &amp; Improvement <b>by the end of the financial year in which the audit is due</b>...</p>
Para 2.8	Changed monitoring responsibilities	The school fund should be audited each year and an audit certificate obtained from the auditor. The audit certificate should be presented to the Finance Committee and a record of receipt of the certificate should be included in the committee minutes. A copy of the certificate must be sent to the Internal Audit Team at County Hall.	The school fund should be audited each year and an audit certificate obtained from the auditor. The audit certificate should be presented to the Finance Committee and a record of receipt of the certificate should be included in the committee minutes. A copy of the certificate must be sent to the <b>C&amp;F Finance Team</b> at County Hall.
Para 2.9	Bringing NCC Scheme in line with DfE guidance	The governing body should establish a register that lists for each member of the governing body, the headteacher and any other staff who influence financial decisions, any business interests that they or any member of their immediate family have. The governing body should ensure that the register is kept up to date with notification of	The governing body should establish a register that lists for each member of the governing body, the headteacher and any other staff who influence financial decisions: <ul style="list-style-type: none"> <li>• Any business interests that they or any member of their immediate family have;</li> </ul>

Section	Reason For Change	Original Text	2021 Amended Text Changes are in <b>Bold</b> .
		<p>changes and through an annual review of entries. The register should be made available both to the LA and for public inspection, free of charge during reasonable school office hours. More detailed notes of guidance on “Declaration of Interest/Register of Business Interests” are available from the Governor Services team.</p>	<ul style="list-style-type: none"> <li>• <b>Details of any other educational establishments that they govern;</b></li> <li>• <b>Any relationships between school staff and members of the governing body.</b></li> </ul> <p>The governing body should ensure that the register is kept up to date with notification of changes and through an annual review of entries. <b>The register should be made available for inspection by governors, staff and parents, and the authority and should be published, for example, on a publicly accessible website.</b></p> <p>More detailed notes of guidance on “Declaration of Interest/Register of Business Interests” are available from the Governor Services team.</p>
Para 2.10	Bringing NCC Scheme in line with DfE guidance	<p><i>The DfE guidance requires schools to follow the authority’s financial regulations in regards to purchasing.</i></p> <p><i>NCC Financial Regulations regarding purchasing have changed substantially since the 2013 version of the scheme.</i></p> <p><i>A comparison of the previous and updated sections are presented below in Annex 1.</i></p>	[See Annex 1 at the bottom of this document]
Para 2.11	Bringing NCC Scheme in line with DfE guidance	Schools may opt out of LA contracts except where the school has entered into a contract for an agreed period. However, schools shall give a period of notice of at least one term of their	<b>Where the LA arranges contracts for the supply of goods or services individual schools have the right to opt out of these if they choose to do so and make their own arrangements</b>

Section	Reason For Change	Original Text	2021 Amended Text Changes are in <b>Bold</b> .
		intention to opt out.	<p>instead. For example, where the LA appoints a preferred supplier schools are not required to use this supplier and may choose a different supplier.</p> <p>Governing bodies are empowered to enter into contracts under paragraph 3 of schedule 1 to the Education Act 2002. In the majority of cases they do so on behalf of the LA, where the LA is the maintainer of the school and the owner of the funds in the budget share. Other contracts may be made solely on behalf of the governing body where there are statutory obligations to do so, such as employment contracts for foundation schools.</p>
Para 2.12	Bringing NCC Scheme in line with DfE guidance	[New sentence]	<p><b>The LA cannot make any deduction from payments of devolved specific grant to schools in respect of interest costs incurred by the LA.</b></p>
Para 2.15	Bringing NCC Scheme in line with DfE guidance	[New paragraphs]	<p><b>The purpose of this provision is to enable the LA to set out formally any concerns it has regarding the financial management of a school it maintains and to require a governing body to comply with any requirements it deems necessary. The principal criterion for issuing a notice, and determining the requirements included within it, must be to safeguard the financial position of the authority or school.</b></p> <p><b>This provision should not be used in place of withdrawal of financial delegation where that is</b></p>

Section	Reason For Change	Original Text	2021 Amended Text Changes are in <b>Bold</b> .
			<p>the appropriate action to take; however, it may provide a way of making a governing body aware of the LA's concerns short of withdrawing delegation and identifying the actions a governing body should take in order to improve their financial management to avoid withdrawal.</p> <p>Where the LA issues a notice of concern the notice will be withdrawn once the governing body has complied with the requirements it imposes.</p>
Para 2.17	Paragraph moved from section 2.6 to 2.17	[new paragraph]	<p><b>Where a governor, Headteacher or any member of staff has any reason to suspect that there may be some financial irregularity, such suspicions must be reported to the Corporate Director, Children and Families without delay who will immediately inform the Service Director - Finance, Infrastructure &amp; Improvement so that appropriate audit investigations are commenced. It shall be the responsibility of the Service Director - Finance, Infrastructure &amp; Improvement to ensure a proper investigation of any irregularity or suspected irregularity is carried out.</b></p>
Para 3.4	Bringing NCC Scheme in line with DfE guidance	Interest will be added to late payments of budget share instalments, where such payment is the result of LA error. Interest will be paid at 0.25% below the Bank of England base rate.	Interest will be added to late payments of budget share instalments, where such payment is the result of LA error. <b>Interest will be paid at the Bank of England base rate.</b>

Section	Reason For Change	Original Text	2021 Amended Text Changes are in <b>Bold</b> .
Para 3.5.1	Added clarity to existing requirements	[New sentence]	This approved list is consistent with the authority's Treasury Management policy <b>and will be updated to ensure it remains consistent with the policy. Where banks or building societies are removed from the list any schools that have accounts with that provider will be required to move to a new account with a bank or building society that is still on the list.</b>
Para 3.7	Deleted guidance that no longer applies	Other financial institutions may be used with the written approval of the Service Director - Finance, Infrastructure & Improvement. GM and GM special schools at 1 April 1999 may continue to operate bank accounts used in 1998-99 for payments of Annual Maintenance Grant from the Funding Agency for Schools (FAS). However, where such an account is subsequently closed any new account must be with a bank or building society on the approved list or be approved by the Service Director – Finance, Infrastructure & Improvement.	<b>[Deleted – None of the current LA maintained schools were Grant Maintained as at 1 April 1999]</b>
Para 3.7	Added clarity to existing requirements	All signatories should be LA or school employees	All signatories to the account should be LA or school employees. <b>Governors who are not members of staff must not be signatories to the account.</b>
Para 3.8	Bringing NCC Scheme in line with DfE guidance	[new paragraph]	<b>Schools may not use interest bearing credit cards and overdrafts as these are regarded as borrowing. If a school requires the use of a purchase card for electronic purchases this should be a procurement card or a debit card. The LA recommends that schools use a</b>



Section	Reason For Change	Original Text	2021 Amended Text Changes are in <b>Bold</b> .
			procurement card rather than a debit card where this option is available. No interest charges should be incurred by the school, with balances cleared on a monthly basis.
Para 4.1	Bringing NCC Scheme in line with DfE guidance	[new paragraph]	The amount of any balance would be shown in the governor outturn statement published in accordance with directions given by the Secretary of State under section 251 of the Apprenticeships, Skills, Children and Learning Act 2009; although there may be commitments against any figure shown in the governor outturn statement.
Paras 4.2	Rewritten to clarify requirements	<b>[whole section re-written to clarify responsibilities, but requirements remain the same]</b>	<b>[whole section re-written to clarify responsibilities, but requirements remain the same]</b>
Para 4.5	Bringing NCC Scheme in line with DfE guidance	[new paragraph]	<b>Schools must submit a recovery plan to the LA if they have a deficit as at 31 March.</b>
Para 4.8	Bringing NCC Scheme in line with DfE guidance and School Financial Regulations	When a school closes any balance (whether surplus or deficit) reverts to the LA except that a surplus transfers to an academy where a school converts to academy status under section 4(1) (a) of the Academies Act 2010. The LA may make allocations to successor schools that are equal to or less than the surplus of relevant closing schools. The LA may also allow for the abatement of extra funding for new schools to effectively recognise the deficit of a preceding school.	When a school closes, any balance (whether surplus or deficit) reverts to the LA; <b>it cannot be directly transferred as a balance to any other school, even where the school is a successor to the closing school</b> , except that a surplus transfers to an academy where a school converts to academy status under section 4(1) (a) of the Academies Act 2010.  <b>Where in the funding period, a school has been established, or is subject to a prescribed alteration, as a result of the closure of a</b>

Section	Reason For Change	Original Text	2021 Amended Text Changes are in <b>Bold</b> .
			<p>school, the LA may add an amount to the budget share of the new or enlarged school to reflect all or part of the unspent budget share (including any surplus carried over from previous funding periods) of the closing school for the funding period in which it closes.</p>
Para 4.9	Bringing NCC Scheme in line with DfE guidance	<p>In general, the Corporate Director of Children, Families and Cultural Services will only approve requests for a deficit to be balanced over a period of 3 years (e.g. if a school's budget for the 2009-2010 financial year is to result in a deficit, this should be cleared by the end of the 2012-2013 financial year). Requests for a deficit to be balanced over a period of 4 years will require the approval of the Corporate Director, Environment and Resources and must demonstrate that it is not viable for the deficit to be cleared more quickly. Deficits will not normally be allowed to be balanced over a period greater than 4 years.</p>	<p><b>The maximum length over which schools may repay a deficit should not exceed three years. For example, if a school were to end the 2019/20 financial year with a deficit, having held surplus balances in the preceding year, the deficit balance should be fully cleared by the end of the 2022/23 financial year.</b></p>
Para 4.10	Directed revision from Secretary of State for Education	[New paragraph]	<p><b>Loans will only be used to assist schools in spreading the cost over more than one year of large one-off individual items of a capital nature that have a benefit to the school lasting more than one financial or academic year. Loans will not be used as a means of funding a deficit that has arisen because a school's recurrent costs exceed its current income. If loans are made to fund a deficit and a school subsequently converts to academy status, the</b></p>

Section	Reason For Change	Original Text	2021 Amended Text Changes are in <b>Bold</b> .
			<b>Secretary of State will consider using the power under paragraph 13(4)(d) of Schedule 1 to the Academies Act 2010 to make a direction to the effect that such a loan does not transfer, either in full or part, to the new Academy school.</b>
Para 5.1	Bringing NCC Scheme in line with DfE guidance	[New sentence]	<b>Income from lettings should be paid into the school's delegated budget and should not be paid into voluntary or private funds held by the school.</b>
Para 5.2	Internet link to charging guidelines	[New link]	<b>(<a href="https://www.gov.uk/government/publications/charging-for-school-activities">https://www.gov.uk/government/publications/charging-for-school-activities</a>)</b>
Para 5.5	Updated to include cashless systems	Payments into the bank shall be by means of an official bank paying-in book, separately identifying cash and cheques. All cheques shall be listed. Income shall be identified by means of the appropriate accountancy code.	<b>Cash &amp; cheques should be paid</b> into the bank by means of an official bank paying-in book, separately identifying <b>them</b> . All cheques shall be listed. <b>Cashless systems may also be used to receive income into the account.</b> Income shall be identified by means of the appropriate accountancy code.
Para 6.3 Point 7	Bringing NCC Scheme in line with DfE guidance	Recovery of monies due from a school for services ordered from the LA by the school;	<b>Recovery of monies due from a school for services provided to the school, where a dispute over the monies due has been referred to a disputes procedure set out in a service level agreement, and the result is that monies are owed by the school to the LA;</b>
Para 6.3 Point 11	Bringing NCC Scheme in line with DfE guidance	Legal costs which are incurred by the LA due to the acts/omissions of the governing body in discharging its functions. (see section 11.4);	<b>Legal costs which are incurred by the LA because the governing body did not accept the advice of the LA. (see section 11.4);</b>

Section	Reason For Change	Original Text	2021 Amended Text Changes are in <b>Bold</b> .
Para 8.1	Bringing NCC Scheme in line with DfE guidance	However, the LA may not discriminate in its provision of services on the basis of categories of schools except where such discrimination is justified by differences in statutory duties.	However, the LA may not discriminate in its provision of services on the basis of categories of schools except where <b>this would be permitted under the School and Early Years Finance Regulations or the dedicated schools grant conditions of grant.</b>
Para 8.2	Bringing NCC Scheme in line with DfE guidance	Any arrangement with a school starting on or after 1 April 1999 to buy services or facilities from the County Council is limited to a maximum of three years from the inception of the scheme or date of the agreement, whichever is later, and periods not exceeding five years for any subsequent agreement relating to the same services.	<p>Any arrangement for a school to buy services or facilities from the County Council is limited to a maximum of three years from the date of the agreement, and periods not exceeding five years for any subsequent agreement relating to the same services.</p> <p><b>However, schemes for contracts for supply of catering services may be limited to a maximum of 5 years, with a maximum agreement of 7 years if the contract is extended.</b></p> <p><b>Where the LA provides a service to schools, for which expenditure is not retained centrally under section 45a of the Act, it should be offered at prices which are intended to generate income which is no less than the cost of providing those services. The total cost of the service should be met by the total income, even if schools are charged differentially.</b></p>
Para 8.4	Bringing NCC Scheme in line with DfE guidance	The details of services to be provided will be set out in the annual Services to Schools brochure.	The details of services to be provided will be set out in the annual Services to Schools brochure <b>which should be published by 31 January each year. Service Level Agreements must be in</b>

Section	Reason For Change	Original Text	2021 Amended Text Changes are in <b>Bold</b> .
			<p>place by <b>31 March</b> each year to be effective for the following financial year. Schools must be given at least a month to consider the terms of the agreements.</p> <p><b>Any services or facilities that are provided under a service level agreement - whether free or on a buyback basis - starting on or after the inception of this scheme will be reviewed at least every three years if the agreement lasts longer than that.</b></p> <p><b>Where services are provided on an ad hoc basis they may be charged for at a different rate than if provided on the basis of an extended agreement.</b></p> <p><b>Centrally arranged premises and liability insurance are excluded from these requirements as to service supply, as the limitations envisaged may be impracticable for insurance purposes.</b></p>
Para 10.1	Bringing NCC Scheme in line with DfE guidance	[new paragraph]	<p><b>After 1 April 2020 schools may join the RPA when any insurance contract of which they are part of expires.</b></p> <p><b>All primary and/or secondary maintained schools may join the RPA collectively by</b></p>

Section	Reason For Change	Original Text	2021 Amended Text Changes are in <b>Bold</b> .
			<b>agreeing through the schools forum to de-delegate funding.</b>
Para 11.2	Bringing NCC Scheme in line with DfE guidance	[new paragraph]	<b>An example of behaviour which is not in good faith is the carrying out of fraudulent acts. Breaches of the scheme are not in themselves failures to act in good faith; neither is rejection of authority advice as to financial management.</b>
Para 11.3	Title changed in line with DfE guidance	Governors' expenses	<b>Governors' allowances</b>
Paras 11.7 and 11.8	Bringing NCC Scheme in line with DfE guidance	<p><i>Paragraphs 11.7 and 11.8 have been removed. All paragraphs in section 11 after this point have been re-numbered.</i></p> <p>11.7 Delegation to new schools The LA is empowered to delegate selectively and optionally to governing bodies of schools that have yet to receive delegated budgets.</p> <p>11.8 Options to receive delegated funding Where a school exercises an option to receive delegated or devolved funding for an item, that option may only be exercised once a year at a stipulated date prior to the financial year in question as detailed in the annual formula consultation process.</p>	<b>[deleted]</b>

Section	Reason For Change	Original Text	2021 Amended Text Changes are in <b>Bold</b> .
Para 11.7 (old 11.9)	Bringing NCC Scheme in line with DfE guidance	[new paragraph]	<b>Although this is anyway a statutory requirement, the existence of such a scheme provision would make it possible to suspend delegation where a situation is serious enough to warrant it (this would not normally relate to an individual pupil).</b>
Para 11.10 (old 11.12)	Title changed in line with DfE guidance	Matters Connected with Child Protection	Child Protection
Para12	Bringing in line with LA guidance	As part of this the County Council uses a <i>de minimis</i> limit of £6,000 for defining capital (i.e. any expenditure below this amount is treated as revenue).	As part of this the County Council uses a <i>de minimis</i> limit of <b>£10,000</b> for defining capital (i.e. any expenditure below this amount is treated as revenue).
Para 13.1	Bringing NCC Scheme in line with DfE guidance	Before exercising the community facilities power, governing bodies must consult the LA by submitting details of proposed schemes to the Corporate Director of Children, Families and Cultural Services.	<b>Changes made by the Children and Families Act 2014 mean that schools no longer need to consult the LA when establishing community facilities under Section 27 of the Education Act 2002. Nor do schools have to have regard to advice given to them by their LA.</b>  <b>However, as public bodies, schools are expected to act reasonably, and this includes consulting those affected by decisions that schools make.</b>
Para 13.2	Bringing NCC Scheme in line with DfE guidance	Any proposed agreements should be submitted to the Corporate Director of Children, Families and Cultural Services for any comments.	<b>[deleted]</b>

<b>Section</b>	<b>Reason For Change</b>	<b>Original Text</b>	<b>2021 Amended Text</b> Changes are in <b>Bold</b> .
Para 13.4	Bringing NCC Scheme in line with DfE guidance	[new paragraphs]	<b>Financial information relating to community facilities will be included in returns made by schools under the consistent financial reporting (CFR) framework.</b>  <b>Schedule 15 of the School Standards and Framework Act 1998 provides that mismanagement of funds spent or received for community facilities is a basis for suspension of the right to delegation of the budget share.</b>
Annex A	Updated record retention requirement	Retention schedules for records/pre-printed forms that have not existed for several years have been deleted.	
Annex C (old) Annex B (new)	Changes to Appendices	Tendering Process was Annex C	<b>Tendering Process is now Annex B</b>
Annex D (old) Annex C (new)	Changes to Appendices	Request to waive the need to obtain tenders was Annex D	<b>Request to waive the need to obtain tenders is now Annex C</b>
Annex C (new)	Change to Appendices	Form Reworked	<b>New form included as per LA's Financial Regulations 2016</b>
Annex E (old) Annex D (new)	Change to Appendices	Local Bank Account Scheme Regulations was Annex E	<b>Local Bank Account Scheme Regulations is now Annex D</b>
Annex D (new)	Changes to appendices	All appendices containing banking application forms have been removed. Forms are now available on request.	



<b>Section</b>	<b>Reason For Change</b>	<b>Original Text</b>	<b>2021 Amended Text</b> Changes are in <b>Bold</b> .
Annex D (new) Appendix 1	Changes to appendices	The list of approved Banks and Building Societies has been updated.	
Annex J (old) Annex E (new)	Changes to Appendices	Local Authority Loan Schemes was Annex J	<b>Local Authority Loan Schemes is now Annex E</b>
Annex E (new)	Restriction on loans to schools converting to academy status	2. Loans can only be made to LA maintained schools.	2. Loans can only be made to LA maintained schools. <b>New loans will not be available to any LA maintained school that has an Academy Order.</b>
Annex E (new)	Point removed due to ICT having no purchasing department	14. For curriculum IT purchases supported by loans, schools must contact Nottinghamshire County Council's ICT service on 0115 9772010 for further advice.	<b>[deleted]</b>
Annex K (old)	Policy Removed as no longer required by DfE	Arrangements for Health & Safety Policy	<b>Policy Removed as DfE guidance no longer stipulates its inclusion in the scheme</b>
Annex L (old) Annex F (new)	Changes to Appendices	List of Schools covered by Scheme was Annex L	<b>List of Schools covered by Scheme is now Annex F</b>
Annex F (new)	Updated list of schools covered by scheme	The list of LA maintained schools has been updated to include recent name changes, mergers and to remove schools that are no longer LA maintained.	
Annex P (old) Annex G (new)	Changes to Appendices	Responsibility for redundancy and early retirement costs was Annex P	Responsibility for redundancy and early retirement costs is now Annex G

## **Annex 1 – Changes to section 2.10 Purchasing, tendering and contracting requirements**

The DfE guidance for section 2.10 states:

*The scheme should contain a provision which requires schools to abide by the authority's financial rules and standing orders in purchasing, tendering and contracting matters. This should include a requirement to assess in advance, where relevant, the health and safety competence of contractors, taking account of the authority's policies and procedures. However, the scheme should also contain a provision which has the effect of disapplying from schools any provision of those rules and/or standing orders which would require them:*

- *to do anything incompatible with any of the provisions of the scheme, or any statutory provision, or any EU Procurement Directive*
- *to seek LA officer countersignature for any contracts for goods or services for a value below £60,000 in any one year*
- *to select suppliers only from an approved list*
- *or would permit schools to seek fewer than three tenders or quotations in respect of any contract with a value exceeding £10,000 in any one year, subject to specific listed exceptions*

*A scheme may invite schools to nominate suppliers for inclusion on lists of approved suppliers.*

*The intention is to ensure that schools do not have to be subjected to unreasonable requirements as to authority counter-signature or use of an approved list, but also ensures that they should obtain at least three tenders or quotations for orders above a certain threshold.*

*Authorities may issue lists of approved suppliers; but schools must not be compelled either directly or indirectly to use them. Authorities may wish to point out the advantages of using lists of approved suppliers, eg assurance on health and safety issues.*

*The fact that an authority contract has been let in accordance with EU procurement procedures does not in itself make it possible to bind a school into being part of that contract. For the purposes of the Procurement Directives schools are viewed as discrete units.*

*The countersignature requirement should be applied sensibly by authorities and schools alike, avoiding attempts to artificially aggregate or disaggregate orders to avoid or impose the requirement.*

2013 Version of NCC LA Scheme – Section 2.10	2021 Version of NCC LA Scheme – Section 2.10
<p>For any purchase, one person alone shall not perform all the following duties:</p> <ul style="list-style-type: none"> <li>a) ordering the supplies, goods and services,</li> <li>b) receiving or verifying the receipt of supplies, goods and services and</li> <li>c) certifying the corresponding invoices for payment.</li> </ul> <p>The purchasing of works, goods or services can be entered into by the governing body of the school without the tendering methods or quotation procedures described below if the contract is placed with a department of the County Council, including an NCC Corporate Procurement Unit, corporate contract or an NCC County Supplies direct supply contract.</p> <p>It should be noted that European Union law requires certain procedures to be followed, including advertisement in the Official Journal of the European Union (OJEU), where the value of contracts awarded by public bodies exceeds a specified threshold, which is £173,494 for services and supplies as at 31 January 2012 (N.B. The EU thresholds are published on the Cabinet Office website <a href="http://www.cabinetoffice.gov.uk">www.cabinetoffice.gov.uk</a>). Where a governing body is considering entering into a contract that may exceed this level advice should be obtained from the Assistant Chief Executive, (as Director of Legal Services) in order to ensure that the relevant European Directives are complied with.</p> <p>Schools should seek an LA Officer countersignature for any contracts for goods and services with a value over £60,000 in any one-year.</p> <p>When placing orders schools should assess in advance, where relevant, the health and safety competence of contractors, taking account of any guidance from the LA.</p>	<p>Schools are required to abide by the LA's Financial Regulations in all purchasing, tendering and contracting matters. The sample Finance Policy for Schools has been written to ensure compliance with the LA's Financial Regulations. The sample Finance Policy and Financial Regulations are available from the School Finance section of the School's Portal.</p> <p>All procurement must be performed in accordance with the all applicable laws, the rules set out here and any guidance provided by the Procurement Centre in consultation with Legal Services. The laws, rules and guidance are intended to ensure the following objectives are met:</p> <ol style="list-style-type: none"> <li>1. <b>Probity and Openness:</b> Honesty, integrity and openness in all dealings (subject to reasonable requirements of confidentiality) and the avoidance of corruption;</li> <li>2. <b>Best Value:</b> The optimum outcome for the Council and the residents of Nottinghamshire including the consideration of best value with regard to social, economic and environmental factors.</li> <li>3. <b>Equal Treatment of Suppliers:</b> Fair and equitable treatment for all potential suppliers;</li> <li>4. <b>Officer Protection:</b> Avoidance of situations which may lead to accusations of officer impropriety.</li> </ol> <p>For any purchase, one person alone shall not perform all the following duties:</p> <ul style="list-style-type: none"> <li>d) ordering the supplies, goods and services,</li> <li>e) receiving or verifying the receipt of supplies, goods and services and</li> <li>f) certifying the corresponding invoices for payment.</li> </ul> <p>The purchasing of works, goods or services can be entered into by the governing body of the school without the tendering methods or</p>

### PURCHASES OVER £25,000

Purchases with an estimated value of £25,000 or more must be awarded by one of the following methods: -

- open competitive tendering by an advertisement in at least one local newspaper and an appropriate trade journal;
- selective tendering from at least three recognised sources known to be suppliers of the goods and services in question;
- such other arrangements made with the prior written approval of the Assistant Chief Executive, (as Director of Legal Services) and the Corporate Director, Environment and Resources Recommended tendering procedures are set out in Annex C. The Schools' Financial Regulations Waiver Request form is attached as Annex D.

### PURCHASES BETWEEN £5,000 AND £25,000

Purchases with an estimated value of £5,000 up to £25,000 can be awarded by one of the above methods (for purchases over £25,000) OR by inviting at least three alternative written offers or quotations. In circumstances where this is impractical the reasons for not following these procedures must be reported to the governing body and recorded in the minutes of the meeting.

### PURCHASES LESS THAN £5,000

For purchases of less than £5,000, the governing body shall make the most suitable arrangements for ordering works, goods and services or for the disposal of equipment and goods, but shall obtain alternative offers or quotations wherever possible.

### AUTHORISATION OF EXPENDITURE

All orders and purchases with an estimated value of £25,000 or more shall be subject to a decision of the full governing body and recorded in the minutes of the meeting. For goods and services below £25,000

quotation procedures described below if the contract is placed with a department of the County Council, including an NCC Corporate Procurement Unit, corporate contract or an NCC County Supplies direct supply contract.

It should be noted that European Union law requires certain procedures to be followed, including advertisement in the Official Journal of the European Union (OJEU), where the value of contracts awarded by public bodies exceeds a specified threshold, which is £181,302 for services and supplies as at 1 January 2018 and £4,551,413 for works (N.B. The EU thresholds are published on the Cabinet Office website [www.cabinetoffice.gov.uk](http://www.cabinetoffice.gov.uk)). Where a governing body is considering entering into a contract that may exceed this level advice should be obtained from the Service Director – Customers, Governance and Employees (as Director of Legal Services) in order to ensure that the relevant European Directives are complied with.

When placing orders schools should assess in advance, where relevant, the health and safety competence of contractors, taking account of any guidance from the LA.

The thresholds for obtaining quotations or tenders are different for building works (e.g. changes to buildings or playgrounds) and supplies and services (e.g. purchases of ICT or play equipment and engagement of consultants). The current thresholds for obtaining quotations and tenders are set out in the tables below:

### **Supplies and Services**

<b>Estimated Total Contract Value</b>	<b>Minimum Procurement Requirements</b>	<b>Advertising</b>	<b>Contract Signatory</b>
Up to £5,000	Written quotations to be		As per school finance policy

<p>the governing body should specify a value above which all purchases shall be subject to approval by governors and formally recorded in the minutes.</p> <p>The governing body shall be informed of all instances in which goods or services are purchased or disposed of which are not the most financially advantageous option available. This will be recorded in the minutes of the meeting.</p> <p>Official prior orders shall be issued for all works, goods or services to be supplied to schools except for the supply of public utility services, for periodic payments such as rent or rates, and for petty cash purchases. Stocks of unused official orders should be securely retained when not in use. Official orders, in a form approved by the Corporate Director, Environment and Resources, are to be signed by the headteacher or staff member authorised by the governing body.</p> <p>Official purchase orders must not be used by staff or others to obtain goods and services for their private use.</p> <p>Supplies, goods and services should be checked to ensure that they are in accordance with the order. Invoices should be approved for payment in accordance with financial guidance booklets and procedure notes issued by <b>Schools CFCS</b> Finance.</p>		sought if deemed necessary by Governing Body		
	£5,001 to £10,000	Written quotations must be sought from more than one supplier		As per school finance policy
	£10,000 to £25,000	Three written quotations must be sought	Source Notts	As per school finance policy
	£25,001 to £50,000	Three tenders must be invited	Source Notts and Contract Finder	Contract must be signed by Head Teacher after receiving approval of Governing Body.
	£50,000 to EU Threshold for Supplies and Services	Five tenders must be invited	Source Notts and Contract Finder	Contract must be signed by Head Teacher after receiving approval of Governing Body.
	Above EU Threshold for Supplies and Services	EU procurement rules must be complied with	Source Notts and Contract Finder and OJEU	Contract must be signed by Head Teacher after

			receiving approval of Governing Body.
<b>Works</b>			
<b>Estimated Total Contract Value</b>	<b>Minimum Procurement Requirements</b>	<b>Advertising</b>	<b>Contract Signatory</b>
Up to £10,000	Written quotations must be sought from more than one supplier		As per school finance policy
£10,001 to £25,000	Three written quotations must be sought	Source Notts	As per school finance policy
£25,001 to £250,000	Three tenders must be invited	Source Notts	Contract must be signed by Head Teacher after receiving approval of Governing Body.
£250,001 to EU Threshold for works	Five tenders must be invited	Source Notts and Contract Finder	Contract must be signed by Head Teacher after receiving

			approval of Governing Body.
Above EU Threshold for Supplies and Services	EU procurement rules must be complied with	Source Notts and Contract Finder and OJEU	Contract must be signed by Head Teacher after receiving approval of Governing Body.

Recommended tendering procedures are set out in Annex C. The Schools' Financial Regulations Waiver Request form is attached as Annex D.

Source Notts and Contracts Finder are advertising platforms for contracting opportunities. Source Notts is designed to ensure local suppliers have the opportunity to bid for business with public sector organisations in the East Midlands. Contracts Finder is a statutory requirement for all public sector organisations when letting contracts valued over £10,000. The web addresses for each of these platforms are:

<http://www.sourcenottinghamshire.co.uk/>

<https://www.gov.uk/contracts-finder>

Details of all quotations and tenders sought and received, including supplier details and pricing information, must be kept on file for review and audit purposes. Whenever possible and appropriate SME's and local suppliers should be encouraged to submit a quotation or tender.

The current thresholds are set out in the table above; however, valuation of contracts is not always straightforward. Splitting of

	<p>contracts in order to avoid the EU Rules is not allowed. Advice and guidance should be sought from the Procurement Centre.</p> <p>All orders and purchases with an estimated value of £25,000 or more shall be subject to a decision of the full governing body and recorded in the minutes of the meeting. For goods and services below £25,000 the governing body should specify a value above which all purchases shall be subject to approval by governors and formally recorded in the minutes.</p> <p>The governing body shall be informed of all instances in which goods or services are purchased or disposed of which are not the most financially advantageous option available. This will be recorded in the minutes of the meeting.</p> <p>Purchase orders shall be issued for all works, goods or services to be supplied to schools except for the supply of public utility services, for periodic payments such as rent or rates, and for petty cash purchases. Purchase orders, in a form approved by the Service Director - Finance, Infrastructure &amp; Improvement, are to be signed by the headteacher or staff member authorised by the governing body.</p> <p>Purchase orders must not be used by staff or others to obtain goods and services for their private use.</p> <p>Supplies of goods and services should be checked to ensure that they are in accordance with the purchase order. Invoices should be approved for payment in accordance with financial guidance booklets and procedure notes issued by C&amp;F Finance.</p>
--	---