

BUSINESS PROCEDURES VARNDEAN COLLEGE

- 1 In accordance with the FHE Act, specific accounting and financial procedures are explained in the Annexes to this instruction. They came into effect from 1st April 1993.

2. Confidentiality: much of the material in use and on display in the finance office is private and confidential. Under the terms of the DFE regulations, it is mandatory to enforce security in the finance office. Access to the finance office will be restricted when such material is in use.

Annexes:

- A Business Integrity
- B General Ledger
- C Purchase and Payment
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BUSINESS INTEGRITY

- 1 Register of Interests: all Corporation members, including Senior Leadership Team (SLT) & finance staff, must declare any direct or indirect pecuniary interest (i.e. where their company or a relative is involved rather than themselves) at all times and should enter any on-going interests that may raise a conflict of loyalty in a Register of Interests kept in the College. This register should be regularly drawn to members' attention at least once a year and amended as needed. It is held in the Principal's office and is available for viewing by interested parties.
- 2 Goods and Services: the College should not normally obtain goods or services specifically for private use by members of staff. Such private items must be pre-paid.
- 3 Insurance: the College's insurance policies are held by the Business Director, who maintains an accurate list of policy numbers. The College's broker is Marsh UK Ltd.
- 4 Reconciliations: The Finance Officer on receipt of bank statements will complete full reconciliation of all bank accounts. The Business Director will review and authorise. Resulting adjustments are to be addressed promptly. The reconciliations are available for examination by the Corporation or a nominated Manager at each month end. Purchase ledger and sales ledger reconciliations are completed at each month end by the Finance Officer.
- 5 Controlled Stationery: the Business Director administers control of cheque and deposit books. Used documentation is retained for audit purposes.
- 6 Bank Deposits: particulars of any deposits are to be entered on a duplicate paying in slip or the counterfoil of the paying in book; the particulars are to include the amount deposited and details of the origin.
- 7 Personal Cheques: the College does not cash personal cheques.

GENERAL LEDGER

The Business Director will administer the general ledger.

Operational aspects will be controlled as follows:

1. Journals are raised by the Finance and authorised by the Senior Finance Officer or Business Director. They will give a description of why they are necessary. The computer will separately number them.
2. Journals will be posted by the finance team and checked for accuracy by the Business Director.
3. All control accounts will be administered and reconciled by the Senior Finance Officer monthly to confirm accuracy. The control accounts following this procedure will be:
 - (i) All bank accounts.
 - (ii) Payroll
 - a) Net Pay
 - b) PAYE
 - c) NIC
 - d) Pension
 - (iii) Debtors control a/c
 - (iv) Creditors control a/c
 - (v) Any other accounts as appropriate.
4. The trial balance will be controlled by the Business Director and reviewed as part of the month end management accounts process.
5. The income and expenditure account and cash flow will be controlled by the Business Director and regularly reviewed by the Principal.
6. The Business Director will produce the monthly management accounts for review by the Principal.
7. Any adjustments required, as a result of the reviews will be effected by using the procedures outlined in 1. above.

PURCHASE AND PAYMENT

Strict procedures for financial dealings have been determined and are detailed in the following paragraphs.

As a member of the Crescent Purchasing Consortium (CPC) the College will use nominated suppliers as often as possible provided that they continue to represent value for money. Other local arrangements may apply in particular circumstances. Any such instance, needs to be agreed in advance of purchase.

Purchase arrangements

All purchases need to be authorised. All budgets have a budget manager who has a responsibility to ensure that all purchases have been authorised.

The following process needs to be followed;

- a) Purchases less than £100 – can be arranged with no alternative quotes being provided
- b) Purchases between £101 – £500 – Two quotes should be provided and presented by the originator to the budget holder to confirm which supplier to use. There is no obligation to simply accept the lowest quote. However, if this is not chosen the reason for the actual choice should be recorded. If there is no appropriate alternative to a specialist supplier then the normal supplier can be used. If this is the case this needs to be recorded. This must not be used as a reason for not getting other quotes if there are clearly other available.
- c) Purchases over £501 – such purchases need 3 quotes. The same process as in b) above applies

The only exceptions to the above arrangements are when purchases are provided under an existing contract or any preferred supplier arrangements. Such agreements are reviewed periodically

The sequence of events for ordering and payment of goods and services is as follows:

- 1 The originator either enters the request directly into the computer network which generates an internal reference number'. The direct entry is the preferred method. A sequential order number will automatically be allocated. The orders are checked, authorised and signed by the Finance Officer. The order is sent to the supplier and a copy to the originator.
- 2 Where, exceptionally, staff specifically authorised on the list at Appendix 1 order goods or services without an order number (i.e. by telephone) the finance office is informed as soon as possible and a retrospective order raised if appropriate.
- 3 When an invoice is received it is passed to the Finance Assistant to check for accuracy. The invoice is checked against the order (if applicable) and coded, passed to the Finance Officer for verification and determination of payment date. It is then entered onto the system, sent to the originator for approval, and Line Managers for authorisation. Once this process is

complete, the Senior Finance officer authorises payment. For individual over £20,000 authorisation is necessary from both the Business Director and the Principal.

- 4 When Invoices become due for payment a proposed payment run is raised by the Finance Officer and authorised by the Senior Finance Officer. Cheques are written by the Finance Assistant/ Finance Officer and are passed for signature.
- 5 Invoices are filed under their cost centre and or ledger code
- 6 Cheques, which remain uncashed after 6 months are "written back" i.e. the original entry reversed. A further payment should be made as appropriate.
- 7 Supplier statements are to be informally reconciled each month and formally reconciled every six months. Payments are made on invoices only. Commitments must be reviewed before non-order invoices are paid to avoid duplicate payments in, what is, the 'highest risk' area.
- 8 An addition of a new supplier is entered onto the system by the Finance Officer. This is authorised by the Business Director. Any changes to supplier details must be authorised by the Business Director.
- 9 Should a computer system failure occur a manual system will operate. See Annex G point 5 for details.
- 10 Credit notes will be raised by the Finance Officer and authorised by the Business Director. Any credit notes, which have not been taken promptly, will be investigated. If no further business is likely from this supplier then a cheque will be requested to clear the account.
- 11 Other cheque payments can only be raised against a cheque request form and must be approved by the appropriate budget holder.
- 12 It is the responsibility of all Line Managers to ensure that all purchases are authorised and that their area does not exceed its agreed allocated budget.

13. BURSARY AND DISCRETIONARY FUNDS

The College receives an annual allocation of funds to support its learners aged 16-18; learners who are 18 at the start of the course but turn 19 during the academic year (i.e. after 31 August) are also eligible.

The College is responsible for determining the eligibility of the majority of applicants to the funds and for deciding the amount each student should receive. The most vulnerable students aged 16-18 are entitled to a Bursary of £1200.

The College receives an additional amount of money to support its Adult learners: Learner Support Fund and further limited sums for Advance Learning Loan applicants

The College will administer the allocated funds in line with government guidelines and limits and according to the Bursary and Discretionary Fund Policy.

The Finance Officer will receive a finance sheet for each successful applicant and make payments to students accordingly, following confirmation from Registry of the required attendance levels.

Payments will be made directly into students' bank accounts, except in the following circumstances:

- The student has been awarded the costs of travel to college and will receive a termly bus pass directly from Brighton & Hove Bus & Coach Company, who will issue an invoice for payment by the College for all passes supplied.
- The student has been awarded the costs of essential trips and submits a copy of the confirmation letter in lieu of payment. An internal transfer will be made for the cost of the trip.
- The student has been awarded the costs of art material fees. If the fees remain outstanding, an internal transfer will be made.
- An adult learner has been awarded financial assistance with tuition and examination fees. If the fees remain outstanding, an internal transfer will be made.
- An adult learner has been awarded financial assistance with childcare costs. The childcare provider will issue invoices for payment by the College up to the value of the award.

All payments and internal transfers will be recorded on the individual student record on a master spreadsheet. The Senior Finance Officer will prepare a reconciliation of funds received, spent and remaining to be agreed by the Business Director.

14. FREE COLLEGE MEALS

The College receives an annual allocation for students who are eligible for Free Meals. The College will administer the allocated funds in line with government guidelines.

The Finance Department will receive notification following approval of applications by the Discretionary Learner Support Panel. The Finance Officer will add any balance for the current week to the students' Vardean Card and enter each on to the automatic bursary list using the IPS Admin facility.

Students who are regularly offsite for placements will receive an appropriate proportion of their allocation as a monthly payment into their bank accounts to enable the purchase of a meal locally.

All payments and internal transfers will be recorded on the individual student record on a master spreadsheet. The Finance Officer will prepare a reconciliation of funds received, spent and remaining to be agreed by the Business Director.

LIST OF STAFF AUTHORISED TO MAKE TELEPHONE ORDERS

No telephone orders are to be made without a previously raised purchase order. Whenever possible this should be faxed to the supplier rather than using the telephone.

The following members of staff are authorised to place orders for goods or services over the telephone.

Principal

Vice Principal

Business Director

Heads of School or other staff with delegated control over department accounts.

Finance Office Staff

Site Manager

IT Manager

Office Manager

PAYROLL AND PERSONNEL

The payroll software is provided by Cintra Payroll Services. Access to personnel, payroll and payment records is strictly restricted to staff members directly involved in the administration of these functions.

New appointments must be requested via an Employment Authorisation form completed by the line manager responsible and must be approved by the relevant Director and the Principal. Once appointed, a payroll amendment form must be completed by the line manager and approved by the relevant Director and the Principal. The Human Resources (HR) Advisor will input the details of the new employee/post into Cintra. The Payroll Administrator will check the FTE and actual salary are correct and enter the employee into the relevant pension scheme (Teachers' Pension, Local Government Pension Scheme).

Increases in salary, such as pay awards, movement on pay spines must be actioned using a payroll amendment form and are authorised by the Principal; it should be noted that as an individual cannot authorise a document, which generates a payment to them, any additional payments to the Principal must be countersigned by the relevant Director. Changes will be input into Cintra by the HR Advisor. The Payroll Administrator will calculate pay accordingly where required, amend on Cintra and check all other amendments are correct.

Any overtime or other payments and any deductions should be agreed by the Principal, Directors as appropriate. Overtime claims should be entered on to an overtime claim form and passed to the Payroll Administrator for processing.

The Payroll Administrator will input P45, P46, P6, SL1 and SL2 details from HMRC notifications following a weekly check via the online facility through Cintra, FBI (File By Internet). The Payroll Administrator will enter and update employee bank details and set up salary sacrifice deductions for childcare vouchers and the Cycle scheme.

The Payroll Administrator will initiate all pension contributions with the relevant schemes, notify the agencies of all starters and leaver and provide accurate information for the year end returns. The HR Advisor and Payroll Administrator will meet monthly to check all amendments have been processed and review any exception reporting. The Payroll Administrator will produce a summary report from Cintra the Business Director will check the total against the budgeted figure. A detailed check is carried out three times a year. Any significant discrepancies are investigated before submitting all payroll reports to the Principal for approval. Once approved, the payroll is submitted electronically by the Payroll Administrator. Payslips are produced by Cintra Payroll Services and are available to staff electronically from the staff intranet No paper copies are available. Monthly and annual year-end procedures will be performed by the Payroll Administrator to electronically submit all PAYE information to the HMRC.

The Business Director will produce a costing journal report to be posted to the general ledger and raises payment requests for amounts due to the HMRC and pension agencies to be approved by the Principal. The Business Director must ensure all pension contributions are paid promptly to the appropriate scheme, submit a monthly return to each agency and check the accuracy of the year end returns before submission. The Teachers' Pension annual return is subject to external audit prior to submission.

Administration of the payroll must be efficient as problems caused by salary error are often lengthy to resolve. The procedure outlined at Appendix 1 is designed to allocate individual responsibility and applies to all payroll changes. The appendix also details wider aspects of staff changes and allocates responsibility within the finance section

Appendix 1 to Annex D
STAFF EMPLOYMENT PROCEDURES

PHASE	ACTION	RESPONSIBILITY
Resignation of staff member	Payroll Administrator informed	HR
Recruitment authorisation	Job reviewed and job description and person specification updated	Line Manager, Director, Principal
Advertisement required	Produce advertisement	HR
Advertise	Place advertisement	HR
Responses received	Applications processed and collated	HR
Applications received	Short list produced	Line Manager
Arrange interviews	Interview packs forwarded (incl. health form, police form and travel claim)	HR
References	Contact referees	HR
Interviews	Timing and coordination: Refund of travel cost:	HR
Selection checks	Per Dfee Guidelines	HR
Employment offer	Letter of appointment, inc. personnel/finance forms	HR
Offer accepted	Payroll advised, Payroll Amendment form circulated	HR
Pre-employment checks	DBS, List 99, health form, references	HR

PETTY CASH AND EXPENSES

Petty Cash

- 1 Petty cash is administered by the Finance Officer. All monies are held in the safe. Regular banking runs occur as required but at least once a week during term time. The float limit is to be maintained at £300; a maximum of £500 may be authorised by the Business Director to meet unusual circumstances.
- 2 Petty cash claims are to be authorised by the finance staff and limited to a maximum £25. Managers can sign up to £25. The Business Director must approve claims greater than £25. If items are to be purchased in cash, an advance can be obtained; cheques are available by prior arrangement from the Senior Finance Officer. The Business Director will regularly review all petty cash with occasional spot checks being made.
- 3 Receipts into petty cash will be either from the bank account as a top up, or repayment of part or all of an advance drawn from petty cash.
- 4 The Petty cash account is to be reconciled monthly by the Finance Officer and checked by the Business Director.
- 5 Petty cash transactions are entered onto the computer monthly by the Finance Officer and are authorised by the Senior Finance Officer.

Staff Expenses

- 1 Refunds of actual expenditure incurred are reimbursed on receipt of an authorised claim form. This form must be completed by the claimant and authorised by the appropriate Director. Self-authorisation is not permitted. Claims must be substantiated with receipts; round-sum allowances will not be paid.
- 2 It is expected that only reasonable travel costs are reimbursed. Use of your own car or public transport is to be used. Taxi costs will only be reimbursed where it can be demonstrated that greater costs would have been incurred by using other modes of transport. Taxis should not be seen as the first option for travel. Car travel cost refunds are paid at rates determined from time to time by the Corporation: 2nd class rail fare is reimbursed, as are bus fares. Private car travel will be reimbursed at 40p per mile for first 100 miles and then 25p per mile thereafter on any one journey.
- 3 The refund of staff expenses has potential tax implications. The College follows the HMRC rates for standard expenses

COLLECTION OF INCOME

1. All debtors will have agreed payment arrangements. These will be authorised by the Business Director. Any change of details regarding a particular debtor will require authorisation by the above.
2. VAT will be charged on all monies where required
3. Should a computer system failure occur a manual system would operate. See Annex G point 5 for details.
4. Non-payment of tuition fees will be closely monitored by the Finance Officer and the Business Director will carry out further investigations where required.
5. Computerised invoices will be raised by the Finance Officer, as necessary and authorised by the Business Director for income transactions. These are sequentially pre-numbered. Prior to issue these will be checked for accuracy with regard to amount and any special credits applying.
6. Should it be necessary to raise a credit note this will be done by the Finance Officer and authorised by the Business Director. These will be computer generated and are sequentially pre-numbered. Any cancelled credit notes will be investigated by the Business Director to ensure their correctness.
7. Receipts are issued on request. All cash and cheques will be stored securely prior to sorting. Cheques will be stamped with the date of receipt into the Finance office and will be banked as soon as is practicable. Banking will occur at least once a week. The amount to be banked will be prepared by the Finance Officer/Finance Assistant and authorised by the Business Director.
8. Receipt of income other than cash, e.g. Cheques, telegraphic transfer will be recorded as soon as is practicable. As with cash these will be stored securely prior to banking.
9. All funds received from funding agencies will be checked immediately upon receipt via Lloydslink Online.
10. There will be a regular monthly review of the outstanding debtors' list by the Senior Finance Officer. Regular chasing of accounts by phone initially and then, if necessary, a letter will be sent. If any outstanding debt proves difficult to collect this should be referred to the Business Director to decide the action to be taken. High value debts will be referred to the SLT for action.

12. Should the Business Director feel that certain debts are unlikely to be collected or of 'high risk', then they should decide whether a provision for bad debt should be made.
13. The Business Director may consider that certain debts should be written off. They should recommend to the Principal the reasons why and receive authorisation to write them off. The appropriate journal will be posted by the senior Finance Officer and checked for accuracy by the Business Director.
14. A list of debts to be written off will be presented to the Corporation for review.

COMPUTER CONTROLS

- 1 The computer system is the primary administrative and financial tool of the College. As such, great care is to be taken to ensure that rights of access and entry are granted to colleagues who have a genuine right to that facility. It is sensible that only relevant staff have the facility to generate lists and to view listings from the administration software packages. A separate system has been set up for the accounting package and strict control exercised over access, which is limited to the accounting staff. The Business Director will decide access rights. The HR department will notify the IT Manager about any members of staff leaving or joining the College, so that appropriate access rights can be issued or revoked.
- 2 The College operates Civica software as its MIS. Accounting integrity is maintained by use of Resource accounting software. The IT Manager is to ensure protection against unauthorised modifications, destruction, disclosure or loss whether by accident or intention. The IT Manager will determine the procedures for this protection. The IT Manager only is authorised to upgrade the system.
- 3 All relevant electronic data is backed up automatically every night onto a dedicated backup server. Databases are also backed up to their relevant server anywhere between 2 hourly and daily depending on the use of the database. The reason for a backup is to allow restoration of data, lost for any reason, at a suitable time after the event. Backing up must be a regular feature of every working day. In this way all those involved in the use of the system will be aware that the action is occurring regularly.
 - 3.1 Backup Disks Weekly backups on a Friday (to external disk) have a rotation of 4 to retain the weekly backup for a longer period (a month). At certain points of the year, a one-off backup may be made if significant system changes are to occur in case it is necessary to restore from further than a month away.
Databases are always backed up before upgrades, end-of-year procedures and for balancing (Relating to MIS Student Records database)
Disks are taken off site after the weekly backup, for disaster recovery purposes. All data is encrypted.
- 4 Any changes to the accounting coding structure must be approved by the Vice Principal
- 5 Should the computer system fail to be in operation or cease functioning at any time a manual system will be operated. Appropriate bookkeeping records will be kept for Purchases, Payments, Income Collections and general ledger accounting function.
- 6 Estimates of downtime and recovery procedures for critical systems are part of the 'Risk Assessment and Disaster Recovery policy' for all computer systems. A copy of this document is stored at all times in a fireproof safe.

CHARGE AND CREDIT CARDS

College Purchasing Card

The College Procurement Officer, currently the Business Director, will advise SLT if a member of staff should hold a purchasing card. SLT approves the issue of College Purchasing Cards.

The Purchasing Card is designed to be simple and easy to use for one off purchases where there is no regular supplier. Goods ordered using purchasing cards do not require a purchase order to be raised or the processing and authorisation of a supplier invoice. Any establishment displaying the VISA symbol will accept a purchasing card. Suppliers should welcome the use of purchasing cards as they get paid by the bank 4 working days after the transaction. The College pays the monthly statement from Barclaycard by Direct Debit. The Purchasing Cards are to be used for low value transactions according to the transaction limit set for your card. The College needs to maintain appropriate controls to ensure the integrity of the scheme:

- The cardholder may only use the card for business purposes and must mainly be used with preferred suppliers (currently being reviewed) and one off purchases.
- Cardholders will not be able to withdraw cash using the purchasing card.
- The card is issued in the cardholder name and all activity will be assumed to have been incurred by the cardholder. Cardholders must complete a Declaration (Appendix 1) on receipt of a card.
- The cardholder must maintain a log of all transactions (see Appendix 2). This must be reconciled to their statement, signed and submitted to the Finance Department (a copy being retained by the cardholder) with all receipts and invoices.
- The Finance Department will review the monthly statements and ensure all receipts and invoices have been received, record the transactions and allocate costs accordingly.
- Card facilities will be withdrawn if the cardholder does not comply with the requirements detailed above.

ANNEX I

NON-PUBLIC FUNDS

- 1 All monies received for refundable deposits, donations and contributions are banked into the current account and accounted for separately. The accounting, reconciliations and administration are dealt with by the Business Director /Senior Finance Officer
- 2 Money received from students for college trips is to be held by the College on behalf of the students. This money can only be used for the designated purpose. Any refunds must be made as they fall due.
3. Staff are not permitted to operate Bank or Building Society accounts for college purposes.
- 4 Cash collected from students is to be passed to the Finance Officer for banking at the earliest opportunity. Students' cash cannot be replaced with a personal cheque.

MAIL OPENING

- 1 All business post received at Varndean College is to be opened and distributed to the appropriate member of staff. Private mail is passed unopened to the addressee. Invoices are passed directly to the Finance Office for processing.
- 2 All staff who receive cash/cheques through the post shall pass them promptly to the Finance Office for processing.

HIRINGS

Daily control of College hirings is the responsibility of the Site Manager who is authorised to negotiate fees within the limits determined by the Principal/ Business Director. The following procedure is to be followed when hirings are taken:

- 1 When an enquiry is received for a hire the forms in Appendices 1 to 4 are to be sent to the client, and a Hirings Progress Form (Appendix 5) completed. On receipt of both the completed Application and Indemnity Forms, the hiring may progress at the discretion of the Site Manager and the progress form completed accordingly.
- 2 If the hire is not to take place a letter must be sent to the applicant.
- 3 If the hire is agreed the Finance Office raises and sends an invoice requesting payment in advance of the hire. Receipt of payment is recorded on the progress form. Outstanding payments are to be brought to the Business Director attention at each monthly reconciliation.
- 4 The Business Director may require the payment of a damage retention charge for certain events. This refundable charge is to be paid in addition to and at the same time as the hire charge.

Appendices:

- 1 Terms and Conditions of Hiring
- 2 Charges for Hiring of College Facilities
- 3 Hirings Indemnity Form
- 4 Hiring Progress Form

CONDITIONS GOVERNING THE HIRING OF COLLEGE FACILITIES

1. General Conditions
 - 1.1 Applications for the use of College facilities must be made to the College Site Manager. The person signing the application will be deemed to be the Hirer, and must accept responsibility for ensuring compliance with these conditions.
 - 1.2 Hirers will be informed, at the time the application is approved, of the charge for the use of facilities required.

Payment will be made in advance, at the time when the hiring is confirmed. If there is damage, or the need for caretakers/cleaners to work longer than expected after the hiring, the Hirer will pay any subsequent account sent to him by the College.
 - 1.3 The College reserves the right to cancel any hiring if any of the facilities are required for urgent official or academic business. In these circumstances, the Hirer will be reimbursed his hiring fee.
 - 1.4 Any intention on the part of the Hirer to cancel a hiring must be notified to the College Site Manager as soon as possible. The College reserves the right to charge a cancellation fee in the event of a cancellation.
 - 1.5 The Site Manager is normally expected to prepare for hirings, to arrange any necessary cleaning afterwards, and where the college requires, being in attendance throughout the course of the hiring. No payment should be made direct to the Site Manager, since the College will pay him.
 - 1.6 No structural alterations to premises, fixtures or fittings will be permitted and notices must be fixed only to the boards provided.
 - 1.7
 - (a) The Hirer is responsible for providing supervision during the course of the hiring and must satisfy the Site Manager that the arrangements being made are adequate.
 - (b) The Hirer or his accredited representative must be in attendance at all times and must accept responsibility for any damage caused to the grounds, playing fields, buildings, fixtures, fittings, furniture and equipment resulting from the hiring. Every precaution must be taken to avoid such damage, and the Hirer will be required to meet the costs of making good any damage, however caused.

- 1.8 Hirers are responsible for arranging their own insurance for
- (a) personal accidents
 - (b) third party claims
 - (c) any loss or damage to the grounds, playing fields, buildings, fixture, fittings, furniture and equipment resulting from the hiring.
- 1.9 If it is intended to organise a public performance or entertainment, or performance of music singing or dancing to which members of the public are to be admitted, Hirers are advised to consult the Site Manager in advance to ensure that the premises are adequately licensed for the purpose before submitting a firm application.
- 1.10 Footwear, which is likely to cause damage to floors, must not be worn. French chalk or its equivalent must not be put down when the hall is used for dancing.
- 1.11 Members of the public must not be admitted to the premises after 10.00pm.
- 1.12 Alcoholic liquor must not be sold or consumed on the premises unless the College has given specific approval. If approval is given to the sale or consumption of alcoholic liquor, the responsibility for obtaining the necessary licence rests upon the Hirer.
- 1.13 College facilities must be left clean and tidy after use.

2. Fire Precautions

The Hirer, or responsible person nominated by him in writing, shall be in charge of and be upon the hired part of the premises during the whole time the premises are open to the public, and there shall be during that time a sufficient staff of competent attendants on duty on the premises. The person in charge shall not be engaged in any duties, which will prevent him from exercising general supervision of the premises.

THE HIRER SHALL ASCERTAIN AND COMPLY WITH ANY SPECIAL FIRE PRECAUTIONS REQUIREMENTS CONTAINED IN MUSIC, SINGING AND DANCING, THEATRES OR ANY OTHER LICENCES APPROPRIATE TO HIS INTENDED USE OF THE PREMISES.

IF THERE IS ANY DOUBT ABOUT THE APPLICATION OF ANY OF THE ABOVE CONDITIONS, THE ADVICE OF THE PRINCIPAL SHOULD BE SOUGHT.

CHARGES FOR HIRING OF COLLEGE PREMISES

Charges are hourly based and payable in advance. There is a flat rate cleaning charge depending upon the nature of the event. A damage retention charge is payable at the same time as the hire charge. This charge is refundable in full if there is no loss or damage. A cancellation charge will be made in the event of inadequate notice being given. Hirings are to finish promptly at the agreed time. Please note that over-runs will be charged at double rate and will be payable immediately.

Charges will be reviewed annually and approved by the Business Director. Up dated January 2016

Charges

Classroom	from £ 12.50 per hour - minimum charge £25
Room 27	from £20 per hour - minimum charge £40
Specialist Area	by arrangement
Assembly Hall	from £35 per hour - minimum charge £70
Gymnasium	from £35 per hour - minimum charge £70
Hone Cafeteria	from £25 per hour - minimum charge £50
Music & Drama Studio	from £30 per hour - minimum charge £60
Football pitches	Adults from £80 per match
Cricket Pitch	£75 per match including 1 room (maximum 5 hours)

Other facilities including catering by arrangement

LETTINGS INDEMNITY FORM

THIS AGREEMENT FOR INDEMNITY is made on
the day of Two Thousand and
Between
of
(hereinafter called 'The Hirer') of the one part and the Corporation of Varndean College (hereinafter
called 'The College') of the other part.

WHEREAS

- a At the request of the Hirer the College has agreed to hire to the Hirer part of the College premises for an activity organised or conducted by the Hirer or the Hirers representatives.
- b The Hirer has agreed to indemnify the College as hereinafter appearing.

NOW the Hirer HEREBY AGREES IT

- 1 That he/she and his/her representatives will keep the College fully and effectually indemnified from and against any loss which the College may suffer by the claim of any third party entering the College premises for whatever purpose connected with the activity organised or conducted by the Hirer, and howsoever such claims arise.
- 2 That if and insofar as claims are made against the College the Hirer will meet the cost of all such claims by the provision of adequate insurance, proof of which will be furnished to the College before obtaining access to the premises.
- 3 That the Hirer is responsible for all damage to College buildings and or any property thereon or attached thereto occurring during the period of the hiring or while persons are entering or leaving such property, however and by whoever caused.
- 4 That at the expiration of hiring, the Hirer shall leave the building in a clean and orderly state. All the property of the Hirer and the Hirers agents must be removed at the end of the hiring unless special arrangements are made. The College can accept no responsibility for any property left by the Hirers or their representatives on the premises.

SIGNED
in the presence of
address of witness

SIGNED for and on behalf of the college

COLLEGE ASSETS AND PROPERTY (including INSURANCE)

College Assets are items, or a group of items, material to the accounts. In determining the materiality, the College should look at the cost of the asset, the value of it to the College and the effect of its loss on the College. The auditors should be consulted in the final determination of the monetary cost to be used as an indicator of a material asset. For this College a figure of £500 is deemed appropriate.

- 1 The assets are recorded in the Asset Register. All additions and disposals are to be clearly documented in the register. It is the responsibility of the Business Director to maintain their accuracy. The computer system may include a facility for the automatic recording of assets; if this is used a hard copy must be taken each month. An integrated fixed asset system is not currently in use. No deletions may be made from an electronic register without leaving an adequate audit trail. The asset register is a complete list of all assets detailing invoice number, description, location, year of purchase and source for each item.
- 2 The asset register is held and is compiled by the Business Director.
- 3 Assets over the value of £5,000 may only be disposed of, with the authority of the Corporation. Details of the authority to dispose of any asset must be entered in the asset register or inventory as applicable. Disposal of assets between £2500 and £5000 need approval of the Principal, and those up to £2500 of the Business Director. Computer equipment forms the bulk of disposals of fully depreciated assets. These are disposed of under the current WEE regulations. We have agreements with suppliers to collect this equipment and dispose of following laid down procedures. This is likely to occur during the summer recess in August each year. Disposal of other fully depreciated assets is rare, but they are disposed of responsibly.
- 4 All title deeds must be securely stored, preferably in a bank deposit box or in a safe on the college premises. Access to the deeds is restricted to the Principal and the Chair of the Corporation. Advice of this restriction is to be given in writing to the holder of the deeds (e.g. bank).
- 5 On receipt of invoice, items must be entered into the asset register. Each item is to have a description, invoice number, location and year of purchase.

The Site Manager and IT department are responsible for marking all assets in a readily identifiable manner. Paint and ultra-violet light marking are appropriate. It is the responsibility of individual departments and their staff to ensure that fixed assets are stored securely.

- 6 Consumable items should not be recorded in the asset register.

- 7 The Business Director will develop an insurance strategy and identify the risks facing the College, the types of insurance cover to protect against those risks and the level of cover proposed. The Business Director has delegated power, from the Principal, to authorise additional insurance to meet further risks that may arise.
8. The Business Director will administer claims. Claims greater than £50,000 will be authorised by the Corporation.

Loan Procedures

Any college property or asset may not be removed from the premises without record.

Staff may borrow such items for use at home providing the following conditions are met.

1. Principal/ Business Director agrees and authorises the loan.
2. The period of loan will not normally be longer than 14 days unless during a vacation. The College must not require the loan item at this time.
3. Audio visual and video equipment will be signed for at time of issue from the LRC.

Loss of Equipment

Actual or suspected loss of equipment is notified to the Business Director immediately.

Appendix

1. College depreciation policy

APPENDIX 1 TO ANNEX L

In consultation with our external auditors, the College's depreciation policy is as follows:

Current Depreciation Rates; Effective from August 2013

<u>Category</u>	<u>Period Years</u>
Buildings	50
Building Improvements	10 - 25
Computers	3
Equipment	5
Furniture	10
Vehicles	3
Leasing	5
DDA Buildings	25
DDA Equipment	5

Rates of depreciation cannot be altered without prior approval of the Corporation.

TENDERING

The tendering procedures must be fair. Where the value of a contract is likely to exceed £20,000 either as a single purchase or within a single financial year, the procedures noted below are to be followed. Exceptions to this are permitted for contract renewal or cases where there are insufficient agencies offering the product in question.

Full Procedure

- 1 Firms are invited to tender for the service either by the College or their appointed agents. At least three tenders should be sought unless this is impractical.
- 2 Firms wishing to tender are sent identical specifications, if specifications are appropriate, and a clear indication of the closing time and date for receipt of the completed bid. They are required to place the tender documents in a sealed envelope, not identifying the company, clearly marked 'tender document'.
- 3 Tenders received before the closing date are recorded and retained, unopened. At the closing date, all tenders and supporting documents are produced to a tender board comprising the Principal, Chair of the Corporation, at least one other Governor or their nominees, and such other members the board may wish to co-opt. The tenders are then opened and considered. The tender board has delegated authority from the Corporation to accept tenders up to £50,000; above this figure the approval of the Corporation is necessary, unless specific authority has been delegated by the Corporation and minuted as such.
- 4 When the board has considered the tenders and reached a decision, the firm should be contacted immediately to confirm acceptance of the contract. The unsuccessful candidates are then informed of the decision. The Business Director is to be informed of the reason if the lowest quotation is not accepted.
- 5 All proceedings of the tender board are to be minuted and retained. If the cheapest tender was not accepted the reason should be entered in this document.
- 6 If it is necessary or appropriate for the Corporation to consider the tenders, the tender board decision will be delayed until after such consideration.
- 7 After the tender has been accepted no work is to start until a formal letter of approval has been issued.

Tenders managed by an appointed Agent

If the College has appointed an agent to manage a project, it is acceptable for the agent to operate their own tender system so long as it can be clearly demonstrated to be fair. If the agent does not accept the lowest tender they must inform the College in writing, giving their reasons. The letter or e-mail should be retained on file.

Project Management

Projects, which the senior management does not feel technically competent to manage or the time involved is not warranted, may be delegated to appointed agents. Senior management is to ensure that projects remain within budget and agreed timescales will monitor the agents. The college reserves the right to take over management of any project at any time from the appointed agent.

Major Building Projects

The Corporation or delegated tender board shall:

- Ensure compliance with legislation on contracts subject to EU public procurement programme
- Give initial approval to the project
- Review the possibility of the use of an agent to provide specifications, manage the tendering process and advise on compliance
- Review results of the tender for appointment of such agents
- Review possibility of using a project manager, corporate or individual, for any major projects
- Review tender process for appointment of a project manager

- Consider the implications of any alternative procurement routes
- Receive a report of the results of the tender process for major contractors and the timetable for the project
- Review and approve the results of the tender process for any necessary funding
- Review and authorise the budget for any major project
- Monitor the progress, and consideration of action proposed to correct significant departures from forecasts (in respect of cost overrun 10% is regarded as significant)
- Review outcomes to establish whether they have been met

Contracts subject to EU public procurement

Certain contracts are subject to the provisions various directives. These include; Public Supply Contracts Regulations 1991, the Public Works Contract Regulations 1991 and the European Union directive 92/50 on Public Service Contracts (and any UK legislation made pursuant to that directive). Any contracts intended to be entered into by the College which are subject to the provisions of such Regulations or directive shall comply with such provisions. Current limits are effective from 1 January 2016 and are net of VAT

Contracts referred to above are:

1. Contracts involving the purchase, lease, rental or hire purchase of goods or their siting and installation where the estimated value of the contract is £ 181,302 or more or such other sum as may from time to time be prescribed by legislation.
2. Contracts involving the execution or execution and design of building and civil engineering works, the estimated value of which is 4,551,413 or more or such other sum as may from time to time be prescribed by legislation
3. Contracts for the provision of specific services listed in Schedule 3 of the Regulations where the estimated value of the contract is £ 615,278 (or such other sum as may from time to time be prescribed by legislation).

The splitting of contracts having the effect of avoiding the above provisions is prohibited

ANNEX N

STATUTORY RETURNS

1. VAT (If applicable) The College is not currently required to register for VAT
 - (i) Input and output VAT will be recorded separately on the computer system using different codes. At the end of each VAT quarter the appropriate sums will be transferred to a control account pending payment, which will be reconciled to the quarterly returns.
 - (ii) VAT returns will be prepared by the Business Director.
2. PAYE, NIC and Pensions
 - (i) Payments to the appropriate authorities will be made having been checked by the Business Director.
3. Funding Agency Financial Returns
4. These will be prepared by the MIS Officer and reviewed by the Principal/ Business Director before submission
5. Other Financial Returns
 - (i) These will be prepared by the Vice Principal or the Business Director (as appropriate) and reviewed by the Principal before submission.

RECORDS

- 1 The books of prime entry, invoices and receipts must be retained for seven years along with the payroll records and VAT records (where applicable). This is the minimum period required by both the Inland Revenue and the Customs and Excise.
- 2 Records may be retained on paper, on microfiche, or on disk.
- 3 The Business Director is responsible for arranging storage and retention of this information.

