

Proposals for changes to the Scheme of Delegation and Finance Manual

1. Purpose of the Report

To seek the Schools Forum agreement to changes to the scheme of delegation.

2. Recommendation

The Forum agree to the proposed changes to the scheme of delegation on

- i. Annual review by Governors of a Register of interests.
- ii. That schools are recommended to provide Governors with a report showing combined payments of over £10k within any financial year.
- iii. The current tender limit is confirmed.
- iv. Schools be notified that they can set lower limits if they wish.

3. Background

3.1 The Forum undertakes an annual review on the Scheme of Delegation and Finance Manual before the start of the financial year. The review incorporates any changes that are needed through changes to legislation and to consider any updates thought appropriate by the Internal Auditors.

4. Scheme of Delegation

4.1 Register of Interests

4.1.1 As requested in the annual internal audit report (see Item 3 of this meeting) it is proposed that a requirement is included in the Scheme of Delegation that all governors and staff with financial responsibility complete the annual Register of Interests forms. It is proposed there is a requirement that a Register of Interests is provided to the Governing Body to review the register once a year and to sign to say they've reviewed them each year.

4.1.2 The agenda and reports for the governing body meeting where the register is being reviewed will be required to include sufficient details so that governors have time to check if there are any interests that maybe of concern of anyone at the school, not just Governors.

4.2 Procurement

There have been incidents where a lot of small payments have been made to the same supplier in a school which in total have amounted to large sums. It is recommended that Governors see annually a report that reviews total spend by supplier. This would include all the items during the year that is made to one supplier where the total paid exceed £10k.

4.3 Tender Limits

4.3.1 The internal auditors have asked the Forum to consider the tender limits, these were significantly increased from 1 April 2014 such that tenders are only now required for works over £50k (up from £10k).

4.3.2 Other Local Authorities within London have been contacted to understand their procurement levels. Of those that have replied two have levels the same as ours of £50k all the rest have higher limits.

4.3.3 It is suggested Schools can be reminded that they can set lower limits than those stated by the council. They then have to adhere to them.

4.3.4 There is a new requirement that all contracts are included in a national database called Contract Finder. The governments intention on this was to allow Small and medium-sized enterprises (SMEs) to be aware of contracts available. This requirement will be built into the scheme of delegation. Schools will need to update contract finder if a contract is more than their lowest tender limits. There is a national minimum and if a school's tender limit is less than £25k, a contract below the value of £25k does not have to be included in contract finder. Guidance will be provided to schools on using the database.

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