

## DIAMOND SERVICE (INCL. BOOKKEEPING) - DETAILED SPECIFICATION FOR 2025-26

This document has been prepared and should be read in conjunction with our Service Level Agreement for 2025-26.

The Diamond Service <b>includes:</b>	
Bookkeeping General Account and Bank Reconciliation	<b>NB: Starts with P12 from previous financial year recorded in April 2025 to assist with year-end calculations and ends with P11 in March 2026</b>
Accruals generation and maintenance of list	
Payroll entry to Salary Monitor and Accounting package	
Salary Monitor variance analysis	
Complete System Reconciliation and submission of VAT	
Bank Forecast for cashflow	
Year End <b>2024/25</b> completion, submission /monitor and 7 further monitors per year, incl. P5 and P9 termly forecasts (dates specified in performance targets below)	<b>NB: This financial contract starts with the completion of the previous year's financial year end for 2024/25.</b> (2025-26 year end completion is in 2026-27 financial year's contract)
Submission of HCC Returns, incl. revised forecasts for Oct 25 and Feb 26	To be submitted on Solero
Interim and Final Capital Returns	To be submitted on Solero
Arbor/FMS bulletin completion	Housekeeping, coding, funding etc.
Budget Finalisation – May 25	
Budget Submission to Solero - May 25	
Budget Loading and Profiling to Arbor/FMS – May 25	
Budget Support - Preparation - March 26	
Budget updates in Access including mid-year, staffing updates, Access bulletins etc	

The following Fund Account services are also available under our <b>Diamond options</b> offer:
Fund Account Licence
Fund Account Bookkeeping (for Arbor accounting package schools only)
Fund Account Audit

The following services can be removed if not required/applicable:
Budget Support - Finalisation May 25
Budget Support - Preparation March 26
Interim and Final Capital Returns (including submission via Solero) Nov 25 and March 26

Software and support <b>required</b> (please see the information on the Bronze Contract):
Arbor main licence
Access Education Budgeting Software
Arbor fund account or additional licence
Financial Services Systems Helpdesk Arbor/FMS and Access
<b>NB:</b> Software is available to complete year end in the following financial year only until the end of May. Notice of cancellation for any software for the following year 2026-27 should be received no later than Friday 12 <sup>TH</sup> December 2025.

You will receive an options form alongside your draft HFL contract. Please return this form to confirm you wish to remain on the same contract using the 'no change' tick box, or alternatively, notify us should you wish to add to or change your contract. Please contact us ASAP on [fs.contracts@hfleducation.org](mailto:fs.contracts@hfleducation.org) **The final date for notification is Monday 3<sup>rd</sup> March 2025.**

## Bookkeeping Service – General Account Financial Processing

This may cover a range of work depending upon the requirements of the school/setting including:

- Recording expenditure
- Recording income received
- Recording and reconciliation of petty cash payments
- Reconciliation to the bank statement
- Performance of the period end routine
- General upkeep and maintenance of the financial accounting software

## Accruals - generation and maintenance

Record items during the year which need to be considered for accrual at year end 2025/26 e.g. trip income and expenditure. Check previous year's (2024/25) accruals are cleared.

## Payroll entry to Salary Monitor and Accounting package

- Entry of payroll including; additional hours, expenses, unpaid days and Apprenticeship Levy (if applicable) from the payroll system to the salary monitor
- Entry to the accounting package Arbor/Access/FMS

## Comprehensive System Reconciliation

- A check of the accounting package to ensure that the system is recording information correctly, including a reconciliation of the VAT, system checks, capital reconciliation and, if purchase orders and sales invoicing are used, these are checked also.
- A number of reports need to be run from the system and entered to the spreadsheet and any anomalies identified and corrected.

## Salary Monitor variance analysis

- Any variances checked against the budget software and nominal roll with queries discussed with school
- Variance comments are recorded on the salary monitor

## Financial Reporting and Budget Monitoring

- Production of Year End and seven further budget monitoring reports per annum.
- Meeting with the Headteacher or nominated officer to discuss the school/setting's current financial position and future financial position and cash flow and advising of any changes that may impact the outturn of their accounts.

This includes:

- The preparation and review, in accordance with HCC deadlines, of the termly forecast to HCC. Our termly forecast appointment provides an in-depth review of your budget position and a revised outturn of the expected budget position of your school/setting at the end of the financial year.

Forecast for period to	HCC deadline
P5 – 31 <sup>st</sup> August 2025	15 <sup>th</sup> October 2025
P9 – 31 <sup>st</sup> December 2025	15 <sup>th</sup> February 2026

- Completion of year-end in accordance with HCC specifications to the deadline set by HCC, including an outturn budget monitor that compares the year-end position with the last agreed budget.
- Reconciliation of VAT returns to HCC on a monthly basis.
- Completion of the interim and final capital returns to HCC specification (where relevant).

## Submission of Financial Returns to HCC

**Submission of all HCC returns remains the responsibility of the school/setting, and Finance Business Partners must receive authorisation from the school/setting of final figures prior to submission.**

## Capital Returns

A Mid-Year submission and Final submission (just before Year End) is required to be provided to HCC to detail the capital spent or committed for that year. The dates are published on Herts Grid and a bulletin and reminders sent by the Financial Services Team.

## Bulletins

To undertake the changes required on the bulletins issued by HFL Financial Services Team. This might include coding changes, report changes and additional funding lines being added to the accounting or budgeting software.

## Asset Register and Leases – School responsibility

The school/setting is required to maintain its asset register and, where required to do so, be able to provide supporting information to HCC on its assets. Schools and settings are also responsible for ensuring that they maintain and update the register of leases that HCC requires and to ensure that they comply with regulations that prevent schools/ settings from taking on finance leases.

## Budget Support

### Budget finalisation – May 2025 (for 2025/26)

- Update any known staff changes – leavers/starters since March
- Include income for any final funding elements
- Update SEN income
- Review all other expenditure lines with school
- Look at 3 year picture to ensure the school does not forecast a deficit budget
- Consider and discuss actions required to balance the budget

## Budget submission to Solero

The Approved Budget, once agreed with governors and the school at FGB in May, is submitted to HCC on Solero as per the financial Bulletin instructions.

## Budget loading to Arbor Finance system

The Approved Budget Return (ABR) agreed with governors is entered to the Arbor Finance/FMS systems. Profiles of income and expenditure are set up with a range of options recommended via the bulletin guidance.

## Budget Maintenance in Access including mid-year updates

The Systems team completes a mid-year update (in the Autumn term) on the latest funding and formula factors and pay increases known at that time to maintain the future year forecast is as up to date as possible.

Staffing contract details in Access Budget software will be checked against the latest nominal roll. The budgeting software is then updated with the information provided by the school prior to the completion of P5, P9 and at March budget preparation, before the budget software is upgraded to the new financial year.

A balancing figure (in E24) is included to match the monitor with the budget software in P5 and P9 to allow future year forecasts. This is removed when the budget is upgraded into the next financial year.

## Budget Preparation March 2026 (for 2026-27)

- Update staffing to include all known current and future changes (school to provide detail)
- Include any other updates advised by the Access Budget bulletin
- Upgrade budget software into the next financial year 2026-27
- Check prepopulated amounts against the School Budget Share document, SBS
- Include all known school funding lines as directed by the bulletin not included in the Age Weighted Pupil Unit, AWPU
- Update Special Education Need, SEN additional funding
- Update future pupil numbers
- Start conversations on other income /expenditure lines

## Financial Advice to Headteacher or nominated officer

- Provide advice on Budget and financial issues affecting schools/settings.
- Provide Headteacher/nominated officer briefing (as part of the scheduled appointment), including an update on any financial developments affecting schools/settings.
- Provide a summary work report that sets out key aspects about the appointment, the plan for the next appointment and any key issues that you should be aware of.

## Compliance

- Provide advice on compliance with HCC's specifications and appropriate finance regulations, for example, VAT procedures. Any technical VAT queries must be referred to HCC.

## Performance targets

Our service aim is to provide a monitoring report to the following schedule:

Month for monitoring	Report deadline
<b>NB: Year End is the start of the new financial contract year which takes place in April</b>	
Period 11/12 - Feb/March Year End <b>for 2024/2025</b>	Year-end completed to agreed HCC deadline April 25th
Period 1/2 - April and May	June 30 <sup>th</sup>
Period 3 - June	July 31st
Period 4/5 - July and August revised forecast	October 15 <sup>th</sup>
Period 6 - September	November 10 <sup>th</sup>
Period 7 - October	December 10 <sup>th</sup>
Period 8/9 - November and December revised forecast	February 15 <sup>th</sup>
Period 10 - January	March 10 <sup>th</sup>

***NB: Year End work is the start of the new Financial Contract as the work takes place in April of the next financial year.***

## Charges for this service

We charge for our services based on hours taken to deliver the service. We will send you a draft contract in the spring term, based on the planned hours for your service. We will have estimated these hours based on experience of your contract, adjusted for any known changes. There will be a separate amount for bookkeeping, monitoring and budgeting.

Schools/settings can and should take this opportunity to discuss and review these hours, or change their contract, with their Service Delivery Manager (via [fs.contracts@hfleducation.org](mailto:fs.contracts@hfleducation.org)). You will receive an options form alongside your draft contract.

Please notify **ASAP and before Monday 3<sup>rd</sup> March 2025** should you wish to add to or change your contract.

- The Bookkeeping Service is a digital only service supported by the use of One Drive with schools.
- The Monitoring Service is delivered digitally (with a few exceptions for face to face delivery for specific schools at a higher hourly rate).
- The Budgeting Service is delivered digitally with some allowance for a half day face to face meeting on occasion for more complex situations.
- If Year End feedback is required face-to-face, this **MUST** take place during the Easter holidays (where applicable) **as part of the new Financial contract period**.

Service Delivery Method	Hourly Rate	PAYU rate
Bookkeeping digital	£59 – price held	£71
Monitoring and budgeting digital	£61	£74
Face-to-Face (includes budget preparation)	£76	£83

Those schools and settings that received a price cap agreement in 2022/23, 2023/24 and 2024/25 (which has now ended) have had a percentage increase applied which brings them to a new standard rate across the board with a further step planned next year to bring them to the published standard rate.

**NB:** Should the school/setting change its contract, the standard hourly rate (above) will be applied to the new contract.

Where Financial Services has delivered unscheduled hours in addition to the annual plan, Financial Services reserves the right to charge these additional hours at the PAYU rate of £74 per hour digital or £83 face-to-face, to reflect the impact on Financial Services' schedules and the knock-on impact to other schools/settings.

**Unused planned hours are not refundable.**

If Financial Services needs to change your Finance Business Partner (FBP), your new FBP will be introduced to you prior to starting with your school/setting. A new Finance Business Partner receives in-depth training over many months with a mentor coaching them. Additional free hours will be allocated to the school/setting to reflect the additional time that may be required.

- Where a school/setting is using FMS6 and requires a full Bursary Service, we will assign an additional Finance Business Partner to complete transactional work. All hours for the contract will be charged at £76 per hour for Face to Face delivery.

We strongly recommend that schools/settings using FMS6 carry out their own transactional processes.

## Information Requirements for Diamond contracts (school delivery)

To minimise additional costs to the school/setting and to enable us to support you in meeting stakeholders' requirements, schools/settings must ensure that all paperwork, stamped, coded to the relevant budget accounts and filed in cheque number order/payment date order, is provided to our staff in accordance with our scheduled email:

- All bank statements provided for the relevant period, ensuring that these are sequential. These must include the whole calendar month i.e. from the first to the last date of the month.
- Payroll reports authorised in accordance with the delegated authority of the school/setting. The person with relevant responsibility in the school/setting must check the monthly payroll report to ensure that the correct staff are being paid.
- Central Payments (also known as Biscuit and Central Billing) reports, coded to relevant budget accounts and authorised in accordance with the delegated authority of the school/setting.
- HFL Education invoice, coded to relevant budget accounts and authorised in accordance with the delegated authority of the school/setting.
- Other Direct Debit statements, coded to relevant budget accounts and authorised in accordance with the delegated authority of the school/setting.
- VAT receipts/invoices to support expenditure in respect of expenses, purchases via school/setting commercial card and any other purchases, coded to relevant budget accounts and authorised in accordance with the delegated authority of the school/setting.
- Details and supporting documents provided for any electronic bank payments made, including future dated payments.
- Summary reports from electronic income collection, for example for parent payments, coded to relevant budget accounts.

Goods and services covered by any invoice must be checked for compliance in the areas of quality, quantity, and price.

OneDrive is used to submit your documents to the Bookkeeping Service electronically.

**NB:** In order to ensure the accuracy of financial information provided to school leadership and the Governing Board, the school/setting must provide information on commitments made i.e. orders authorised. This may be a list on an Excel spreadsheet of orders raised using your purchase orders. However, we encourage the use of purchase orders generated within the accounting software, to enable more detailed financial monitoring. On-Demand training is available to ensure accurate purchase order entry to Arbor.

Where you have chosen face-to-face appointments, good working conditions for our staff for on-site working must be provided, which are compliant with Health and Safety requirements and appropriate for working with confidential information.



**NB:** Our services do not remove the responsibility of the school/setting for maintaining and storing its own financial records on site and for the school/setting's compliance with all reporting standards and regulations. A pre-requisite of this service is that schools and settings are compliant with the Schools Financial Value Standard (SFVS) and HCC's Scheme for Financing Schools. If preparatory work is not done before our Finance Business Partner appointment, we cannot guarantee that work can be completed within the timescale and costs agreed.

Following our appointment, all system reports, the budget monitor and submissions for HCC must be signed by the Headteacher and appropriately filed. Reports should be shared with your governors in accordance with the terms of your SFVS and Schedule of Financial Delegation.

### Access to services

Financial Services seeks to book all Finance Business Partner appointments for the autumn term by 31st July, for the spring term by 31<sup>st</sup> December and 31<sup>st</sup> March for the summer term. Your summer term's appointments will be subject to any changes to your contract at contract renewal in the spring.

Contracts run annually from 1<sup>st</sup> April to 31<sup>st</sup> March.

***NB: Financial Services work one month in arrears and therefore work on your P12 year-end accounts falls into the new financial year's contract as does finalisation of your budget software. Should you wish to change contract, please discuss any timing implications with your Service Delivery Manager via [fs.contracts@hfleducation.org](mailto:fs.contracts@hfleducation.org).***

Licence purchasing of Arbor Finance and Access budgeting software via HFL Education involves a third party that will only accept orders and require full payment from 1<sup>st</sup> April until 31<sup>st</sup> March. Please be aware that a school/setting is unable to terminate part way through the year. If you wish to terminate your licence you must notify Financial Services by Friday 12<sup>th</sup> December 2025 latest, prior to the start of the following financial year 2026/27.

For FMS users, please liaise with ESS re: their terms and conditions. For schools who are converting to academy or federating, there is still a requirement to close down the old finance systems, have them checked and be able to download the information contained in them for the school to retain for 7 years. You may therefore need an extension to your licence (or an additional year depending on the timing).

Please email: [fs.contracts@hfleducation.org](mailto:fs.contracts@hfleducation.org) and one of our Service Delivery Managers will call you back to discuss.