

Norfolk Children's Fund Revenue Equipment Guidance

Effective from 1st March 2004

1.0 Introduction

- 1.1 Norfolk Children's Fund (NCF) has a duty to ensure that funding paid over to projects in the provision of children's services is justified, recorded accurately and expenditure on service provision is providing value for money.
- 1.2 As part of this process, the Children, Young Persons & Families Directorate (CYPFD) of the Department for Education and Skills (DFES) have advised programmes to provide guidance to all projects, especially where it is probable that a project will cease to be funded.
- 1.3.1 To this end the following guidance will apply to all projects for the financial years;
- 2003/04
 - 2004/05
 - 2005/06
- 1.3.2 However, this will be subject to any other updated guidance either produced by the CYPFD/DFES and/or NCF at anytime during the current funding period (see 4.1).

2.0 Revenue Assets and/or equipment – Definition

2.1 Expenditure on the acquisition of a tangible, productive asset/equipment utilised in providing Children's Fund activities and whose individual value does not exceed £2,500.

2.2 The above definition is for revenue equipment only and should not be confused with capital assets with a value over £2,500. Further details on capital assets are shown in the latest version of the CYPFD Financial Guidance at paragraphs 4.1 & 4.2.

3.0 Conditions

- 3.1 The conditions by which Norfolk Children's Fund grant is operated, is governed by the CYPFD Children's Fund Grant Terms & Conditions. The following extracts are taken from these terms and conditions;

Controls

'The Accountable Body to which the funding is paid must at all times be able to demonstrate to the satisfaction of CYPFD that it has proper financial and other controls in place. The grant is to be held separately within its accounting

system to facilitate a clear audit trail. It must administer the grant funds carefully and economically, avoid extravagance and waste and be able to demonstrate it has obtained value for money in respect of any procurement activities.

The award must be used strictly for the purpose intended: that is, solely for the funding of Children's Fund activities as described in the plan agreed by CYPFD. There can be no variation or modification to the submitted plan without prior approval from CYPFD (via your Children's Fund regional manager). You will have sound financial controls in place, in particular ensuring appropriate segregation of financial duties. Should any of the grant not be spent for the purpose intended, CYPFD may require that sum to be repaid forthwith to the CYPFD Accounting Officer.'

The above excerpts refer to all grant expenditure spent by the partnership and associated services and therefore applies to all items of equipment purchased with Children's Fund money, whether capital assets or revenue.

However, for the purposes of recording assets/equipment in the Norfolk Children's Fund Revenue Guidance, where an item of equipment is valued at less than £100, it will be deemed as immaterial and therefore will not require recording in an inventory, albeit projects should be aware that all grant expenditure is subject to CYPFD Financial Guidance and Grant Terms and Conditions for Children's Fund.

4.0 Compliance

- 4.1 All projects by way of accepting funding payments and/or signing of contracts will have been deemed to accept all forms of CYPFD/NCF guidance and conditions and additional updated forms thereof as and when they are published.
- 4.2 Any form of non-compliance may result in the recovery of funding grant if proved to be in contradiction to agreed controls, which will be determined by the NCF Finance Officer, ratified by the partnership board and actioned by the Programme Manager as Responsible Budget Officer for the accountable body.

5.0 Inventories

- 5.1 All projects are required to complete an inventory list for items of revenue equipment as defined in paragraphs 2.1 & 2.2, which should be submitted to the Norfolk Children's Fund Team using form E1. An example form is provided at Appendix A.
- 5.2 Submissions to NCF should be updated on an annual basis and further additions should be submitted using form E1a. An example form is provided at Appendix B.

5.3 Both forms and the guidance are available on our website at

www.norfolkchildrensfund.org.uk

6.0 Treatment of Revenue Equipment

6.1 The prescribed treatment for revenue equipment will vary according to the development of four probable scenarios that projects will be categorised into from 01 April 2004;

- a) Projects with continued funding from NCF and therefore continuing in the operation of children's fund activities
- b) Projects without continued funding but will still be operating in a similar vein if not the same as when funded by NCF
- c) Projects not being funded and ceasing to exist in their present form of service provision
- d) Projects continuing but providing reduced service delivery due to a reduction in funding (may not utilise all equipment in stock)

Projects with continued funding from NCF and therefore continuing in the operation of children's fund activities

6.2 These projects will complete inventories and update as required at paragraph 5.

Projects without continued funding but will still be operating in a similar vein if not the same as when funded by NCF

6.3 These projects will complete inventories and update as required at paragraph 5. These projects will also complete form E2 in order to continue using the equipment that has been purchased with NCF funding grant. An example of this form is provided at Appendix C.

Projects not being funded and ceasing to exist in their present form of service provision

6.4 These projects will complete inventories and update as required at paragraphs 5 until funding ceases as per the signed contract and/or grant terms and conditions.

6.5 There will then be two potential options for the treatment of the revenue equipment utilised by the ceasing project;

- Dispose of the revenue equipment for a fair value and return the proceeds (net reasonable cost of sales) to NCF, which will then either be recorded against project expenditure in the

next quarterly claim, therefore returning the proceeds to the CYPFD, or reinstated to the programme budget. Form E3 is provided at Appendix D for this purpose

- Transfer the equipment to other NCF projects, possibly by way of publishing an updated inventory on the NCF website (or by email to all projects) and allocating to projects by way of a business case submitted to the closing project by a specified time designated by the project offering the equipment. The NCF Programme Manager must approve the transfer before it takes place and has ultimate discretion regarding methods of transfer and allocation of equipment to projects. A transfer of equipment form (E4 provided at Appendix E) will need to be completed, so that responsibility for the equipment is transferred to the relevant project and ownership appropriately accounted for

Projects continuing but providing reduced service delivery due to a reduction in funding (may not utilise all equipment in stock)

- 6.6 These projects will complete inventories and update as required at paragraph 5 and if applicable, the options at paragraph 6.5 will be implemented.
- 6.7 The option undertaken will depend on the need for the equipment in other areas of NCF projects, affordability issues and condition of equipment. All options should be discussed with and approved by the NCF Programme Manager before a decision is made.
- 6.8 The Central Team will in most cases act as a facilitator for the equitable transfer of equipment to other NCF projects if required. However, should there be any bias, special preference or significant disagreement for transferring equipment, observed by (or disclosed to) the central team, then NCF reserve the right to either decide who receives the equipment or instruct the closing project to dispose of the equipment and return the proceeds (net of reasonable cost of sales) to NCF. In all instances the Programme Manager's decision will be final.

7.0 Closing Summary

- 7.1 This guidance has been formulated to provide appropriate treatment of revenue equipment in as equitable manner as can be reasonably implemented.
- 7.2 NCF accept no responsibility whatsoever for the condition of such transferred equipment received by projects and make no guarantees to either it's worth or effectiveness in terms of use.

- 7.3 If there are any queries as to definitions contained within this document, or clarification required, please contact the NCF Finance Officer in the first instance.

FORM E1

CHILDREN'S FUND SERVICE INVENTORY FOR REVENUE EQUIPMENT

Project Code

Project Name and Organisation

Project Contact Name and Telephone Number

This form should not be completed until you have read and understood the Norfolk Children's Fund Revenue Guidance (February 2004) and associated documents.

Please note that the form has a complete page available for revenue equipment items to be recorded under each of the following headings;

- Furniture and Office Equipment
- Play Materials/Equipment
- Kitchen Equipment
- Fixtures/Fittings/Decorations
- Specialist Equipment
- Electrical Equipment
- Other Equipment

It is understood that some revenue items could be entered in two or more of the above headings at the same time. Please use your discretion and record the item(s) **once only** under the heading that you decide is most appropriate.

Please continue on a separate sheet if necessary.

Only include items of equipment with a value equal to or greater than £100.00

Enter Each Item under one heading only

Page 1

Item Description	Proposed Future use *	Quantity	Purchase Value (each) £	Approximate Current Value (each)** £	Total Approximate Value** £
Furniture and Office					
Play Materials/Equipment					

Enter Each Item under one heading only

Page 3

Item Description	Proposed Future use *	Quantity	Purchase Value (each) £	Approximate Current Value (each)** £	Total Approximate Value** £
Specialist Equipment					
Electrical Equipment					
Other Equipment					

- * **Applicable only if project is closing**
- ** **please provide your best estimate if value not known**

Declaration for submission of inventory

I have read and understood the Norfolk Children's Fund Guidance and enclose the Form E1 with attached documentation if applicable, which is complete and accurate to the best of my knowledge and belief. I have the delegated authority to complete this form on behalf of my organisation.

Signed: Date:

Name: Organisation:

FORM E1a

INVENTORY FOR REVENUE EQUIPMENT – ADDITIONS FORM

Project Code

Project Name and Organisation

Project Contact Name and Telephone Number

This form should not be completed until you have read and understood the Norfolk Children's Fund Revenue Guidance (February 2004) associated documents.

Please record your additional equipment under the following headings;

- Furniture and Office Equipment
- Play Materials/Equipment
- Kitchen Equipment
- Fixtures/Fittings/Decorations
- Specialist Equipment
- Electrical Equipment
- Other Equipment

Only include items of equipment with a value equal to or greater than £100.00

It is understood that some revenue items could be entered in two or more of the above headings at the same time. Please use your discretion and record the item(s) once only under the heading that you decide is most appropriate.

Please continue on a separate sheet if necessary.

Item Description	Proposed Future use *	Quantity	Purchase Value £	Approximate Value (each)** £	Total Approximate Value** £

- * **Applicable only if project is closing**
- ** **please provide your best estimate if value not known**

Declaration for equipment additions

I have read and understood the Norfolk Children's Fund Guidance and enclose the Form E1a with attached documentation if applicable, which is complete and accurate to the best of my knowledge and belief. I have the delegated authority to complete this form on behalf of my organisation.

Signed: Date:

Name: Organisation:

FORM E2

**NORFOLK CHILDREN'S FUND –
Assignment of revenue equipment to
continuing service to provide best use**

Project Code

Project Name and Organisation

Project Contact Name and Telephone Number

On behalf of the service named above, We

(Names in capitals).....

accept the continued responsibility and ownership of all items of revenue assets/equipment (purchased with Children's Fund Grant) as detailed in the inventory (E1) form (and all associated additions to revenue assets/equipment as detailed in any submitted (E1a) additions forms) and undertake to ensure the best use of the said revenue assets/equipment in provision of the continuing children's service so named above.

If the service should close within 1 year of the date of this agreement, then any items of revenue assets or equipment with any remaining useful life to Norfolk Children's Fund shall be administered as at paragraphs 6.4 to 6.7 of the Norfolk Children's Fund Revenue Equipment Guidance (latest version). If the service is in existence after 1 year of the date of this agreement, then the said service will have full discretion regarding the most appropriate treatment of the revenue assets/equipment and it's disposal thereof.

Agreed by and on behalf of (project/service name as above)

Signed: _____ **Name**

Date: _____

For and on behalf of Norfolk Children's Fund

Signed: _____ **Name**

Date:

Appendix D

FORM E3

**NORFOLK CHILDREN'S FUND – Disposal
of Revenue Equipment Form**

Project Code

Project Name and Organisation

Project Contact Name and Telephone Number

Please find attached a list of revenue equipment items utilised in the above named service/project which has ceased service provision from (date).....and have therefore been sold on behalf of Norfolk Children's Fund within the terms of the Norfolk Children's Fund Revenue Equipment Guidance (latest version).

The revenue equipment has been sold to:

Name:

Address:

Date of Sale:

Total Net Sale Amount	£
Less Cost of Selling Equipment e.g. advertising, commission etc	£
Amount due to Norfolk Children's Fund equals	£

For and on behalf of (project/service name as above)

Signed: **Name**

Date:

Note: Please make cheques payable to "Norfolk County Council" and write Norfolk Children's Fund on the back as well as your project code/name – thank you.

Continuation Sheet

Information Continued from Form E1 E1a E2 E3 E4 (delete as appropriate)