West Berry Federation

Finance Policy

Last review: September 2021
Next Review: September 2022
Reviewed by: Head/Finance Lead
Adopted by: FGB

This statement sets out the Governors policy on the management of finances within the school. It applies to all funds delegated or devolved within the provisions of the Schools Standards and Framework Act 1998.

1. The Governors have overall responsibility for securing the efficient and effective administration of the school and its' resources. Accordingly, the Governors regard proper control of the school finances as being of utmost importance. The Governors have acknowledged and adopted the principles of good practice contained within these County Council documents for the School's financial management:

- Scheme for Financing Schools
- Schools Finance Manual
- Code of Business Conduct (part 5 of the Council's Constitution which includes financial regulations, contract procedure rules and procedures for contracts and tenders)

2. All staff involved in financial transactions are required to be fully aware of and to comply with these requirements.

3. There are two main strands to this:-

- Operational control over spending and income collection
- Monitoring and control of the budget

4. The Headteacher is accountable to the Governors for the exercise of delegated authority and in turn staff are accountable through their line management to the Headteacher. Staff must not exceed their delegated authority which must only be exercised within the above framework of overarching rules and school policies and will be held accountable for their decisions and actions. Any matter of financial consequence shall be drawn to the attention of the Governing Body in a timely manner.

5. All financial dealings are to be conducted

- in a framework of openness thereby allowing proper scrutiny and evaluation and
- with absolute integrity and regard for the good reputation of the school.

6. Proposals for the deployment of financial resources shall be properly supported and each proposal shall demonstrate Value for Money and its sustainability in the light of the resources likely to be available.

7. The regular comparison of spending against budget is intended to highlight those areas where the budget is under pressure to enable effective remedial management action and to identify those areas where resources may be released to further un-resourced elements within the School Development Plan. This process should take place at two levels

- Formal reporting to Governors
- Ongoing Internal monitoring

8. The Governors regard the passage of timely and accurate information as being central to the success of their policy. The Headteacher is responsible for putting suitable arrangements in place to ensure the financial data within school are both up to date and accurate so that any member of staff responsible for control of a budget can have an accurate position statement upon request. Internal monitoring is to take place not less frequently than monthly. Separate statements for each fund are required.

9. The staff identified as budget holders within this document are responsible for controlling those aspects of the budget and ensuring that the Headteacher is kept fully informed of spending against budget.

10. The Headteacher is responsible for ensuring regular monitoring of all budget lines and formal reporting to Governors. Formal reports with explanatory commentaries including information about changes in non-financial data (e.g. pupil numbers) are required to be circulated no less than 7 days in advance of the relevant meeting. It is essential that the forecast year end position together with the implications for at least the next two years is kept under ongoing review.

11. Where routine budget monitoring reveals budgetary pressures requiring urgent attention which cannot await the next programmed meeting the Headteacher shall notify the Finance Lead with a view to a meeting being convened.

12. Staff need to take care that they do not accept any gift that might be construed as a bribe by others or lead the giver to expect preferential treatment. There are occasions when pupils or parents wish to pass small tokens of appreciation to staff e.g. at Christmas or as a small thankyou and this is usually acceptable. However, it is unacceptable to receive gifts on a regular basis or of any significant value. Similarly, it is inadvisable to give such gifts to pupils or their families.

13. The tables below set out the delegated authority and responsibilities of individuals together with the frequencies at which tasks and reports must be completed.

This policy was approved by the governing body on 21.05.21

Table of Delegated Authority/Responsibility

Function	Governing Body	Finance Lead	Head teacher	Administrator	Clerk to Govs	Staff	Scheme for Financing Schools	Schools Finance Manual
Comply with Scheme for Financing Schools	✓	✓	✓	✓	✓	✓	2.1.1	1.2
Comply with Schools Finance Manual	✓	✓	✓	✓	✓	✓	2.1.1	1.2
Comply with Code of Business Conduct	✓	✓	✓	✓	✓	✓	2.1.1	1.2
Ensure separation of duties	✓		✓	A				2.1 /7.2 /8.3
Ensure internal controls operate correctly	✓		✓	A				7
Ensure governors policies are complied with	✓	✓	✓	✓	✓	✓		
3 Year Development Plan updated annually			✓					4
Prepare including costings (new + next 2 yrs)			✓		A			4.3
Set spending priorities	✓							
Approve costed items for new year budget	✓							
Review Plan outcomes	✓							4.2
Annual revenue budget								3
Prepare			✓	A				3.5
Approve	✓	✓						4.12
Monitor	✓	✓						5
Register of Interests (Governors)					✓		2.9	2.6 / App A
Register of Eligibility to Serve				✓	✓			
Register of Interests (Staff)				C		✓		App A

Key to all tables

Frequency	Functions	Notes
O = Ongoing	O = Oversee	# Substitute name of fund or budget holders
W = Weekly	S = Supervises	£ Insert Individual Limits
M = Monthly	R = Reports	
H = each half term	C = Co-ordinates	* Acts within delegated powers and if required
T = Termly	✓ = Does	
Y = as soon as possible after Year-end	A = Assists as required	

Responsibility for Budget Monitoring

	Governors		Finance Lead		Headteacher		Administrator			Budget Holders	Scheme	Finance Manual
	Frequency		Frequency		Frequency		Frequency			Frequency		
Maintenance of records					S		✓	W				13.4
Download of Data					S		✓	W				13.4
Reconciliation of Data					S		✓	W				13.4
Updates forecasts & resource forecast model					S		✓	M				
Monitoring of budget lines/cost centres					C	M			✓	M		
Maintain forecast of year-end position					✓	O						
Initiates management action*					✓							
Prepares formal budget monitoring statement for each fund					✓	H	A					
Prepares commentary					✓	H	A			A		
Presents update resource forecast model					✓	H						
Receives report			✓									
Initiates management action* / makes recommendations to Governors			✓									
Receives report	✓	H										
Amend Development Plan (if req)	✓											
Outturn report	✓	Y			✓	Y	A					

Table of Responsibility for Policy Review

Function	Governors	Finance Lead	HT Appraisal Panel	Pay & Personnel Cttee	H & S Lead Governor	Headteacher	Administrator	Clerk to Govs	Scheme	Finance Manual
Finance Policy										13.1
Initiate annual review								✓		
Prepare						✓				
Approve	✓									
Charges and Remissions Policy									5.2	8.1
Initiates annual reviews								✓		
Recommendations						✓				
Approve		✓								
Lettings Policy										
Initiates annual reviews								✓		
Recommendations						✓				
Approve		✓								
Governors Expenses									11.3	
Initiates annual reviews								✓		
Recommendations		✓								
Approve	✓									
Business Continuity Plan										
Initiates annual reviews								✓		
Recommendations						✓				
Approve					✓					
Personnel: Headteacher's Performance										
Initiates Annual review					✓					
Recommendations				✓						
Approve			✓							
Personnel: annual review of staff salaries										
Initiates annual reviews								✓		
Recommendations						✓				
Approve				✓						
Income										
Determine policy for advancing credit	✓									8.4
Purchase of Services (Buybacks / SLAs)									8.1/8.2	
Initiates annual reviews								✓		

Recommendations						✓				
Approve	✓									
Insurance review (including absence)									10	App E
Initiates Annual review								✓		
Recommendations						✓				
Approve	✓									
Appointment of Internal Auditors									2.6	19.1
Initiates annual reviews								✓		
Recommendations				✓		✓				
Approve	✓									
Gifts & Hospitality Register										2.7
Maintains register						✓				App D

Table of Delegated Authority

Financial Administration

Spending decisions	Governors	Finance Lead & CoG	Pay & Personnel	Headteachers	Senior Administrator	Administrator	Clerk to Govs	Caretaker	Deputy Head	Kitchen Manager	Scheme	Finance manual
Payroll											2.1.3	10
Authorise appointment of staff / contracts	✓ (HT, Deputy)			✓								
Authorise payroll forms	✓ (HT)			✓								
Purchasing / procurement											2.10	6
Oral / written quotations (see table below for values)												6.4
Formal written quotations (see table below for values)												6.4
Acceptance of quotations (insert values)	Over £10K	Up to £10K		Up to £5K	£250	£250			£500	£200		6.3
Prepare tender documentation				✓								
Receive tenders				✓								
Open tenders (nominated Governors and staff)	✓			✓								
Evaluate tenders (nominated Governors and staff)	✓			✓								
Appoint successful contractor / supplier	✓			✓								
Requisitioning and ordering												6
Raising requisitions				✓	✓	✓				✓		
Approving requisitions (insert value)	Over £10K	Up to £10K		Up to £5K	£250				£500	£200		
Raising official orders via FMS					✓	✓						6.9
Signing official orders (insert value) In line with accepting quoations	Over £10K	Up to £5K		Up to £5K	£250				£500	£200		6.12
Receiving goods / services				✓	✓			✓	✓	✓		
Payments											2.1.3	

Verify invoices for approval to pay					✓			✓	✓	✓		6.16
Process payments through FMS					✓	✓						
Authorise payment control listing					✓							
Authorise SCRAPS payment batch				✓								6.18
Transmit SCRAPS batch					✓							6.18
Petty Cash (including card expenditure)												11
Authorise individual reimbursement claims				£1000	£250				£250			11.4
Monthly claim and reconciliation					✓							11.7
Approval of monthly claim and reconciliation				✓								
Procurement / Purchasing Card(s)												11
Nominated card holders (see table below for values)				£1000	£500					£500		
Approval of card expenditure				£1000	£500					£500		11.4
Income											5	8
Cash and cheque receipting					✓	✓						8.5
Preparation of cash and cheque banking					✓	✓						8.7
Management of online cash collection system (name)					✓	✓						
Internal invoicing					✓							
Raising form for external invoicing					✓	✓						8.4
Processing and reconciling all income in FMS					✓							8.8
Approve writes off (values – refer to Finance Manual)	Over £100			Up to £100							2.1.6	8.9
Budgetary Adjustments / Virements											2.5	
Authorise virements (insert values)	Over £2000			£2000								5.5
Processing					✓							

The Governors require that all purchasing decisions are made after adequate market testing or research. Quotations and tenders as appropriate are required as shown below.

A note of verbal quotes for lower value items should be made and retained.

Estimated value of goods or services	**Number of quotes required**
Above £1,000 and up to £2,500 (£5,000 for works)	2 oral quotations
Above £2,500 (£5,000 for works) and up to £10,000	3 written quotations
Above £10,000 and up to £100,000	3 written formal quotations submitted by a specified date and time and based on a written specification and

	evaluation criteria (referred hereafter as “formal quotation”
Above £100,000, and up to EU thresholds	4 Tenders
Over EU thresholds	Submit tenders in accordance with the requirements of the Public Contract Regulations

From 1 January 2018 the sterling equivalents of EU thresholds (net of VAT) are £181,302 for supplies and services, £4,551,413 for works and £615,278 for contracts falling within the light-touch regime and £4,551,413 for concession contracts.

Asset protection	Governors	Finance Lead	Personnel Ctte	Nominated Govs	Chair of Governors	Headteacher	Administrator	Clerk to Govs	Leadership team member	Caretaker	DPO	Staff	Budgetholder #	Budgetholder #	SENCO	System Manager	Fundholder #	Scheme	Finance manual
Security of property & assets	✓	✓	✓	✓	✓	✓S	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	2.1.4	16
Security of cash and cheques						✓S	✓		✓			✓					✓		8.6
Data Protection registration						✓													18
Compliance with Data Protection Act and GDPR	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓O	✓	✓	✓	✓	✓	✓		18
Maintain back up of all School data						✓O	✓									✓S			18
Security of all School data	✓	✓	✓	✓	✓	O	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓S			18
Maintenance of inventories							✓		✓	✓		✓	✓	✓	✓			2.1.4	Ann 2
Annual physical check of items							✓					✓							16.3
Annual certification of record						✓													
Write off of assets (insert values)	✓					✓												5.4	16.5

Table of Delegated Authority School fund/non public funds

Function	Governors	Headteacher	Administrator	Clerk to Govs	Scheme	Finance Manual
School fund /non-public funds						15
Aims and objectives agreed annually	✓					
Authorise bank accounts & signatories	✓					
Appoint fund auditor	✓				2.8	15.6
Presents accounts for audit (within 1 month of period end)			✓			
Receive audit reports and certificate (within 3 months of period end)	✓					
Receive management reports	✓					
Authorise spending	✓	✓£2000				
Maintenance of accounting records			✓			
Reconciliation of school fund to bank account		O	✓			
Security of cash and cheque income			✓			
Use of online cash collection system			✓			

School

List of Specimen signatures & initials

Name	Role	SIMS User ID	User code	Signature	Initials

Cheque signatories (imprest account / school fund)

Name	Imprest Account	School Fund
	✓	✓
	✓	✓
	✓	✓
	✓	✓
	✓	✓

Procurement / purchasing card holders

Name	Monthly value	Transaction limit
	£	£
	£	£
	£	£
	£	£