

# Christ Church (Brondesbury) CE Primary School

## FINANCIAL PROCEDURES MANUAL



<b>Date Approved</b>	<b>November 2024</b>
<b>Date of next review</b>	<b>November 2025</b>
<b>Signature</b>	

*Going for **GOLD** with faith*

# Christ Church (Brondesbury) CE Primary School

## School Vision

Christ Church (Brondesbury) CE Primary School is a vibrant, welcoming and inclusive school at the centre of our diverse local community. We are perceived as a “family” by all who know us.

As a Christian school, we encourage everyone to be their best and to grow in God's creation. We provide a supportive, safe, respectful and reflective environment in which all flourish irrespective of their culture and belief.

We provide the highest standard of learning for all of our community and encourage them to pursue aspirational goals.

The school's vision is deeply rooted within the scripture passage:

### **2 Corinthians 8:7**

*“But as you excel in everything—in faith, in speech, in knowledge, and in all eagerness and in the love from us that is in you—make sure that you excel in this act of kindness too.”*

Our vision is embedded within the Christian values of:

**Compassion, Respect, Friendship, Forgiveness, Perseverance, Wisdom.**

Our vision is expressed by all as “**Going for GOLD with faith**”.

This is explained and explored below:

Vision	Demonstrated as
Give learning your best	<ul style="list-style-type: none"><li>• Try your best at everything</li><li>• Follow the “give me five” rules</li></ul>
Own your choices	<ul style="list-style-type: none"><li>• Be respectful and polite</li><li>• Be honest and take responsibility for your words and actions</li></ul>
Love yourself, as God loves you	<ul style="list-style-type: none"><li>• Love yourself, for you are special</li><li>• Love your neighbours with all your heart</li></ul>
Dream big, work hard and pray	<ul style="list-style-type: none"><li>• Aim high</li><li>• Always be ready to learn</li><li>• With prayer, everything is possible</li></ul>

This policy reflects and supports our school vision in that through our structured financial procedures we strive to “...provide a supportive, safe and respectful environment in which all flourish...”

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### **STAFFING AND PAYROLL**

The financial principles embodied in this document have been considered and implemented to ensure that school resources are used effectively to raise standards of achievement and continuously improve the quality of teaching and learning within the school.

## **1. Roles and responsibilities**

### **1.1. Governing body**

The Governing body are given their powers and duties as an incorporated body. The Statutory responsibilities of the Governing Body are detailed in **section 21 of the Education Act 2002**. Governors are required to:

- manage the school budget, consider the annual budget plan, approve the budget, consider and approve any proposed revisions to the budget plan.
- decide on how to spend delegated budget depending on any conditions set out in the LA scheme within the financial year.
- be consulted by the Local Authority (LA) on significant changes to the LA's fair funding.
- make sure accurate accounts are kept.
- determine the staff complement and a pay policy for the school (in accordance with School Teachers Pay and Conditions).
- act as a 'critical friend' to the Headteacher by providing advice, challenge

### **1.2. Governors' Finance & Resources Committee**

The terms of reference for the Governors' Resource Committee have been added to those of the Full Governing Body.

### **1.3. Governors' Pay Review Committee**

A group of three governors is elected to review pay early in the year for September's award. A further three governors may be elected as the Appeals Panel.

### **1.4. Headteacher – Budgetary Role**

The budget is the financial representation of the school's development plan. It will be proposed by the Headteacher and agreed by the Governing Body. The Headteacher is fully accountable to the Governing Body which delegates the full financial responsibility to the head teacher for creating the budget.

### **1.5. Assistant Headteachers**

- The Assistant Headteachers are signatories to the bank account.

### **1.6. Inclusion Leader**

- is also a signatory to the bank account

### **1.7. Chair of Governors**

- is also a signatory to the bank account

### **1.8. The Business Manager**

The Business Manager is a member of the Leadership Team and is responsible for ensuring the effective management of financial administration processes

- Ensuring that all staff and governors with financial management responsibilities know their respective roles in relation to financial management and have a shared understanding of financial management roles and responsibilities.
- Ensuring that the limits of each person's financial responsibility and authority are prescribed
- Communicating financial information to the Governing Body and Head teacher to help them with decision-making.

- The Scheme of Delegation shows the tasks that have been delegated by the Governing Body to the SBM.
- Producing financial statements and forecasts
- Attending the Governing Board meetings to provide financial advice as required.
- Preparing Budget Statements, CFR returns, Financial Summaries and such documents as may be required for the Schools' Financial Value Standard
- Ensuring that orders are properly authorised.
- Ensuring that delivery notes are checked and invoices are paid promptly.

### **1.8. Curriculum Leaders**

Curriculum Leaders have delegated responsibility for specific areas within the school budget and may order materials and supplies/services in line with agreed resourcing and development plans. They annually consult with colleagues and present bids for discussion within the leadership team. Budget holders monitor spending within their departments throughout the financial year. Bids submitted for budgets must be designed to ensure that it is possible to provide a level of service commensurate with the school development plan.

## **2. The Annual Financial Cycle.**

Financial planning and monitoring needs to consider the calendar year, the financial year and the academic year in relationship to each other. It is essentially a cyclical process.

### **January**

- Following review meetings with staff the Headteacher prepares the suggested model for staffing responsibilities for the following September. Management allowances and retention awards are taken into account.
- Quarterly VAT report submitted to LBB (recurrent).
- Quarterly report prepared for Governing Board to review budget position at the end of December.
- Census figures determine Pupil Premium for the next financial year

### **February**

- All budget holders submit Subject Review sheet and 'ideal bids' to departmental budget planning meeting.
- A draft budget is prepared by the Headteacher and Business Manager based on draft estimate from LBB.

### **March**

- Draft budget presented to Governing Board.
- Forecast of year end position for present financial year prepared for governors.
- Business Manager chases outstanding invoices and unrepresented cheques and prepares for year end close down
- Submission of Schools' Financial Value Standard to LB Brent

### **April**

- Business Manager sets up new budget on computer

- Final accounts, FIN 1 and FIN 1A, and supporting debtor and creditor schedules sent to London Borough of Brent (LBB)
- Preliminary closedown of previous financial year.
- Capital return(assets purchased from revenue funds) submitted to LB Brent
- VAT return

#### **May**

- Business Manager prepares Consistent Financial Reporting (CFR) report and submits to LBB.
- Final budget plan agreed by governors and sent to LBB.

#### **June**

- Out-turn statement for the previous financial year produced for Governors.
- Headteacher reviews staffing model for September following resignation deadline.
- Business Manager carries out revisions to budget based on staffing changes

#### **July**

- Quarterly report prepared for Governing Board.
- VAT return

#### **August**

School closed.

#### **September**

- Headteacher and Business Manager finalise staffing structure for new academic year and propose adjustments to budget plan.
- Draft School Development Plan prepared by Head and submitted to governors and staff for consultation and discussion.
- Business Manager prepares pay statements for teaching staff.
- School assets record checked and updated

#### **October**

- Census figures are submitted which provide the basis for the budget for the next financial year.
- Quarterly report prepared for Governing Board
- Governors make recommendations and budget plan amended accordingly.
- Governing Board review Financial Risk Register
- Business Manager submits schedule of annual contracts and service providers for approval
- VAT return submitted

#### **November**

- Staffing structure options considered for next academic year and form basis for draft budget for next financial year.
- GB reviews spending to date and overall budget
- School Development Plan is updated and costings reviewed for the following two academic years

#### **December**

- Headteacher and Business Manager review spending pattern for the rest of the financial year.
- Budget revision considered in the light of any staff changes for the Spring Term.

## **Routine Financial Responsibilities**

### **3.1. Administration Officer (AO)**

- processing orders
- checking deliveries
- process invoices
- raising manual cheques
- records income
- count cash
- preparation for banking
- administration of petty cash

### **3.2. Receptionist**

- collecting and receipting dinner money (not academic year 2024 – 2025) and general income including educational visits

### **3.3. Business Manager**

- signing off banking
- reconciliation of petty cash
- authorisation of printed orders
- electronic authorisation of invoices/printing cheques
- bank reconciliation
- submission of payroll data
- authorisation of agency staff timesheets

### **3.4. Premises Manager**

- accompanying School Business Manager to banking duties

### **3.5. Head**

- overtime authorisations
- authorising internal orders
- authorising invoices / payments
- signing cheques

## **4. Monitoring the Budget**

### **4.1. Monthly**

Headteacher and Business Manager check salaries  
Business Manager posts salaries journals  
Business Manager reconciles salaries  
Business Manager produces reports  
Headteacher and Business Manager meet to review spending  
Headteacher authorises staff returns  
Administration Officer (AO) produces budget transaction reports  
Business Manager reconciles bank statements  
Business Manager produces and submits Fin 1  
Business Manager sends budget monitor to governors (see page 9)  
VAT return

### **4.2. Quarterly**

Budget monitoring statements prepared

### **4.3. Termly**

Figures for SEN statements confirmed

#### **4.4. Annually**

Budget holders check inventories and submit bids.

Asset register checked

Governors agree Budget Plan.

Headteacher reviews insurance requirements.

Inclusion Leader and class teachers audit Special Educational Needs.

### **Detailed Financial Procedures**

## **SECTION 2: CORPORATE GOVERNANCE**

### **Financial Procedures**

The School's Financial Procedures are contained in the document "Christ Church C of E Primary School's Financial Procedures" and held in the SBM's office at the school. These procedures are adopted from Financial Regulations of the LA's Schools Financial Regulations. The Financial Procedures are approved and formally adopted by the Governing Body.

### **Register of Business Interests**

In order to avoid any potential conflict of interest between the school and the Governors interests, Governors are required to provide details of their Business interests to the Clerk of the Governing Body. The Clerk maintains the register of Business interests which is held in the SBM's office at the school for inspection by any interested parties. Members of the Schools SLT also disclose annually any Business interests they may have.

The register is updated annually, in addition at each Governing Body meeting the agenda includes a standing item to allow governors to declare interest in any agenda item confirm there are no changes to the details on the register.

If a Governor, the Head teacher or other person has any financial interest, direct or indirect, in any contract, proposed contract, or other matter and is present at a meeting of the Governing Body at which the contract or other matter is the subject of consideration, they must declare the interest as soon as practicable after the beginning of the meeting, and must withdraw from the meeting while the matter is under consideration; take no part in the consideration or discussion; in the case of a governor, not vote on any aspect of the contract or matter.

## **SECTION 3: FINANCIAL RECORDS AND BUDGETARY CONTROL**

### **Setting the Budget**

Annually the Governing Body considers the current year's budget, together with two future years. The Budget Plan covers a three-year period.

The school's budget is set using information on projected pupil numbers, notifications of funding levels, employees (staff structure), premises, curriculum needs and income. Consideration is given to the areas of priority spending as identified in the School Development Plan and in accordance with the Budget Preparation Guidelines, which is issued annually by LA.

Governing Board considers budget assumptions, options and makes any necessary decisions at their autumn term meeting. The SBM then collates all relevant information in conjunction with the Head teacher and produces a first draft of the budget. This draft is then submitted to the Governing Board for review. The school is required to set a balanced budget for each financial year, taking into account any brought forward balance or deficit. Under the terms and conditions of the financial regulations, the Governors are not allowed to present a cumulative deficit budget. If a surplus is expected it should be earmarked for specific future needs paying due regard to the claw back formula that exists in the borough.

The final budget is presented to the full Governing Body, where the Governors have the opportunity to ask relevant questions on the figures presented to them before it is approved and minuted. The Budget Plan is submitted to the LA by the notified date. It is the responsibility of the Head teacher to ensure this is done. A copy of the signed budget plan should be retained in the minute file and a further copy to the Head teacher.

### **Monetary Limits**

The inclusion of money in the School Budget, approved by the Governing Body, shall authorise the Head Teacher to spend up to that sum. Individual items not to exceed £10,000 as per scheme of delegation.

### **Transfer of Resources between Budgets**

Head Teachers may transfer resources between budgets (virements) provided they comply with any limit set by their governing body and following the advice provided by the Chief Finance Officer and Strategic Director of Children & Young People. The current scheme of delegation allows the Headteacher to vire budgets for up to £10,000.

### **Monitoring the Budget**

The approved budget is entered into the FMS system. The Budget is continually monitored against actual expenditure by the SBM and reported to the Governors in the following ways.

Monthly bank reconciliations are completed by the SBM, copies of documents supporting the bank reconciliation are sent to the Chair of the Governing Board and the LA.

A budget monitoring report based on the month end cumulative expense analysis report is produced at the end of each month by the SBM. This includes predicted outturn figures. Any variances are noted and explained. Copies of this report are sent to the Head teacher, and Governors' Governing Board. At the end of each quarter this report is submitted to the LA. Review of the budget to date is a standing agenda item for the FGB meetings. All Headteacher virements are reported at the next Resources Committee meeting and are minuted, along with those approved by the FGB. The minutes are circulated to the Full Governing Body.

Subject/class budget holders are informed of their budget allocation at the start of the financial year. This is followed up by a termly Cost Centre Transaction Listing, (or upon request), showing budget allocation, expenditure to date, commitments, balance remaining and percentage spent.

The key controls for managing and controlling the revenue budget are:

- All elements of budgeted expenditure and income are allocated to a named budget holder;
- Budget holders accept accountability for their budget allocations and the level of service to be delivered;
- Budget holders adhere to the approved procedures for the ordering and certifying for payment the purchase of goods and services used in the provision of their service and for the collection of income;
- Income and expenditure is completely, accurately and promptly recorded and accounted for;
- Service delivery performance levels are monitored in conjunction with financial performance and that necessary action is taken to align service outputs and budget resources.

### **Overspends**

Neither the Governing Body, an individual Governor, nor the Headteacher shall commit the School to any expenditure for which there is not sufficient budget provision nor which will cause an overall budget deficit. Headteachers and Governing Bodies have to take responsibility for their school budgets and to seriously examine their own capacity to fund new proposals or overspendings. An overspend must be dealt with by action of some kind, even if this means changing policy, service levels and staffing levels, or virements from elsewhere in the school's budget.

Headteacher shall be responsible for:-

- (i) reporting without delay to the Chief Finance Officer and Strategic Director of Children &

Young People where it appears that the total budget for the school may be exceeded due to an estimate, or income not being achieved.

- (ii) taking action to bring the budget back into balance.

Where action is to be taken to control overspends then precise budget heads must be identified and detailed. Any service implications must be fully stated. If details are not provided then the action will not be regarded by the Director of Children and Families as satisfactory.

If a school budget is in deficit at the year end, the school will be required to submit a recovery plan to the Chief Finance Officer and Strategic Director of Children and Young People in accordance with the Scheme of Delegation.

### **Underspends**

Schools may carry forward any underspent balance of their Budget Share at the year end in accordance with the provisions of the Scheme of Delegation.

### **Local Authority Returns**

The Business Manager will be responsible for ensuring that all financial transactions are recoded on the financial system in a manner that facilitates the accurate reporting of Consistent Financial Reporting (CFR).

The Business Manager will be responsible for ensuring that all financial monitoring returns (e.g. Budget Notification, CFR, FIN and Year End returns) are delivered to the Local Authority Children & Families Finance department in a timely fashion by the published deadlines.

### **Statement of Internal Control**

The objectives of Internal Control are to give management confidence that as far as reasonably possible; the accounting records are complete, genuine and achieve best value.

The School Business Manager is responsible for carrying out the reconciliation of school records to that of the Local Authority within one week of receipt. All discrepancies are to be reported to the Head teacher and the bank and investigated immediately.

The School Business Manager is responsible for ensuring that the Reconciliation forms are always signed by the person performing the reconciliation, the head teacher and if appropriate, Chair of Governors or other appointed governor.

The Headteacher will be responsible for periodically checking (at least once per term) and signing to confirm the checks have been made for the Delegated Budget on the following:-

- (a) Reconciliations (both delegated budget & petty cash)
- (b) Expenditure transactions have been properly authorised and recorded
- (c) Income transactions have been properly recorded and banked
- (d) No payments have been made to individuals which could be classed as fee payments
- (e) Staff salary payments are correct and match commitments
- (f) Year end transactions – i.e. Creditors & Debtors (Year end only)

Headteachers and Governors must ensure that:

- adequate systems of internal control are established, adhered to, tested and reviewed in order to be confident in the areas set out in the annual assurance matrix;

- Staffs have a clear understanding of the consequences of lack of control and knowledge of Financial Regulations.

### **Annual Accountability**

At the end of each financial year the Business Manager is responsible for ensuring the settlement of all outstanding accounts and the timely closure of that year's books. In preparation for the year end returns the Business Manager will ensure that there is available:

- a. Fin 1 LBB report for period 12
- b. Cumulative Expense Analysis report for period 12
- c. Calculation of debtors and creditors
- d. Reconciled bank accounts
- e. Statement of the school's income and expenditure in CFR format

School records of staff pay and all other financial documentation must be kept available for inspection by LB Brent finance and audit and DfE officials, the HMRC or appointees of the National Audit Office for a minimum period of six years. It is recommended that delivery notes are retained only until the end of the subsequent financial year.

### **SFVS**

A SFVS Statement is produced and approved by the Governing Body and is duly signed by the Chair of Governors and the Head teacher. The Best Value Statement is submitted to the LA.

### **Security of accounting records**

Data stored on the school network is highly confidential both in respect of pupil records which are maintained using the SIMS administration system and the school's finances which are maintained using the FMS system. These systems are password protected. All computer systems are virus protected.

There are a variety of manual records maintained in the SBM's Office comprising all the initial data by which the FMS system is updated. Where necessary these records are kept in locked cabinets. The records comprise:

- Internal requisition forms
- Copy Orders
- Delivery Notes
- Purchase and Non order Invoices
- Payroll Records
- Bank Statements and Reconciliations
- Petty cash documentation
- Debtors Invoices and correspondence
- Cheque Run Reports
- Personnel Records

### **Risk Management and Insurance**

The School obtains insurance through the LA and the London Diocesan Board to ensure the minimum cover required by the LA is met. The school notifies the LA immediately of any new risks or of any claims arising.

Head Teachers shall be responsible for ensuring that assets under their control have appropriate insurance cover within the overall guidance issued and must review on an annual basis the level of risk cover.

It is the Headteacher's responsibility to:

- ensure that adequate risk management controls are implemented, monitored and reviewed;
- notify the Chief Business Administration Officer (CAO) and the Chief Finance Officer and Strategic Director of Children & Young People and Families immediately of any loss, liability or damage that may lead to a claim against the Council or the school;
- notify the Chief Business Administration Officer (CAO) and Director of Children and Families of all new risks, properties or vehicles that require insurance and of any alternations affecting existing insurances;
- Consult with the Chief Business Administration Officer (CAO) and the Solicitor to the Council on any terms or any indemnity that the Council is requested to enter into on behalf of the school.

### **Audit**

The Chair of Governors has a responsibility to:

- consider and ensure Headteacher and other school staff respond promptly to recommendations in both internal and external audit reports;
- ensure that agreed actions arising from the audit recommendations are carried out in a timely and efficient fashion;
- report to the Governing Body the reasons for any failure by Headteacher, other school staff or governors to implement those audit recommendations.

## **SECTION 4: INCOME AND BANKING**

The Governing Body has overall responsibility for ensuring that all income due to the school is properly accounted for. In order for this to happen it is important the school must have a sound system of internal control. In terms of income it is important to ensure that:

- income is banked regularly and in full
- cash is securely stored
- amounts banked are reconciled with the amounts recorded and supported by receipts
- regular bank reconciliations take place
- there is a separation of duties
- income must not be used to make payments or for the cashing of personal cheques

### **Main Account (public funds)**

The main sources of income into the Main account are as follows:

- The Individual School Budget (ISB) is made up from core funding and per pupil matrix banding. The matrix banding funding is entirely based on pupil numbers and linked with each pupil's specific individual needs.
- Grants/Devolved Capital from the LA/DCSF. This income is paid directly into the Main School Bank account by the LA and notified to the SBM.

The SBM confirms amounts received are those due and records on the FMS computer system. The coding system is maintained in line with CFR requirements.

- Bank Interest

When applicable, interest is credited to the school's bank account quarterly.

- VAT reimbursements

The school is able to reclaim VAT on its VAT able expenditure, less VAT able income via the Borough of Brent. The FMS system collects data on a calendar month basis, and a summarised VAT Report is printed, authorised and sent to the LA, which then reimburses the school by BACS. Advice is available from the LA on any matters relating to VAT regulations.

Business Manager submits a quarterly VAT claim produced from FMS to the LA  
Reimbursements are paid direct into the School Bank Account by LA.

Business Manager confirms amount received is correct and posts to FMS system

- Recoupment

Some pupils receive funding for support hours additional to those included in the Individual Schools Budget (ISB). The income for this is paid directly in to the School's main bank account.

- Lettings

Income from lettings is generated by sequentially numbered invoice, with VAT being charged where appropriate. Invoices are issued periodically, are sequentially numbered and are filed in the SBM's Office. The SBM ensures payment is received within the required period.

- Dinner Monies

The School Office collects pupil and staff dinner monies. Numbered receipts are issued. The Receptionist completes the dinner registers. The Administration Officer completes the banking paying in book and passes cash/cheques to the SBM weekly. The SBM checks the monies agree with the paper records and signs documentation accordingly. Monies are banked weekly by the Administration Officer.

## **Bank Accounts**

The school is a "cheque book school" and as such has its own bank accounts. The School bank accounts held are:

- Public Funds: Current account with Barclays bank.

Details of the accounts are held by the Business Manager.

The school receives its bank interest gross (no tax deducted) and credited quarterly directly into the current account.

## **Operational policy and procedures:**

- The school is not allowed to overdraw or offer any security to the bank.
- All school cheque-books and computerised cheques are kept in the Business Manager's safe.
- All school cheques are prepared by the Business Manager (SBM) and require two signatures from the approved signatory list.
- The signatories are the Head-teacher, Deputy-Head, Assistant Head and Phase Leader.
- The Business Manager is responsible for notifying the Bank when there are any changes to the people fulfilling these roles.
- Bank Statements are kept sequentially. Monthly bank reconciliations and are carried out by the Business Manager.

## **Petty Cash**

The School maintains an imprest petty cash system. The float limit is £250. Staff claims are subject to a maximum of £50, in accordance with the Scheme of Delegation, although usually reimbursements of more than £10 will be made by cheque.

Petty cash claims are made by completing a petty cash voucher, supported by a receipt. This should then be agreed by the budget holder of the cost centre the claim is being made from and then authorised by the Business Manager. Claims without receipts will not be authorised, unless there are extenuating circumstances. Petty cash cannot be used to cash personal cheques. Petty cash

transactions are entered by the Administration Officer on to FMS. The Business Manager runs a report to show the expenditure for the period and submits these to the Head teacher along with all the vouchers. A cheque to cash is prepared to reinstate the float to £250 signed by two signatories. The SBM carries out a regular independent check on petty cash, with a minimum check each time a reimbursement is made.

The Petty cash box is held in the Business Manager's safe.

## **SECTION 5: PURCHASING**

### **PROCUREMENT AND CONTRACTS**

The Governing Body undertakes to pursue the principles of "Best Value" in its purchasing procedures. The School complies with the Financial Regulations. For contracts in excess of £20,000 in any one year a formal invitation to tender is required in line with the procedures set out in the LA Contract Standing Orders document. Where the estimated value of a proposed contract is £20,000 or under ('Very Low Value Contracts'), over the life of the contract (including any possible extension) school has a duty to ensure that appropriate steps are taken to ensure value for money. This may be by obtaining three competitive quotes or another method that will ensure value for money. Where a quotation other than the lowest is accepted the reason for the decision is noted and reported at the next finance-focused Governing Board meeting.

When calculating the estimated value of the contract to determine whether the requirements of the Procurement Legislation apply, the contract value estimation should be inclusive of VAT (where applicable) from 1 January 2022. The figures in the table above which are not marked with an asterisk are exclusive of VAT. When valuing contracts the Governing Board will need to be conscious of VAT levels and whether the services, supplies or works attract standard rate VAT (currently 20%), attract some other rates or are exempt or outside the scope of VAT. Advice on VAT is available from the LA's VAT officer.

#### **Ordering Goods**

- Orders are raised for all goods and services purchased except utilities (water, gas, electricity, telephones etc), food, agreed contract payments and petty cash payments.

The originator completes an order form this must be signed by the budget holder or the Head teacher. It is then passed to the Business Manager to process. The head teacher has authority to negotiate contracts and purchases on behalf of the governing body but new contracts over £10,000 and renegotiated contracts resulting in an increase of more than 10% must receive approval of the Governing Body. Alternative costs must normally be obtained for all items of expenditure over £500 and for items over £5,000 records kept as to why the lowest figure may not have been accepted. This must be within budget limits.

Orders are dealt with on regular basis. The Business Manager will deal with emergency orders immediately, if possible, although single orders are discouraged. The order contains details of the supplier, the quantity, code and catalogue etc. Lists of suppliers are maintained on the computer; new suppliers are authorised by the Business Manager. Orders are produced from FMS and automatically allocated a sequential order number

Where urgency requires an oral order this is confirmed by a written order. The only personnel authorised to order under such circumstances are Headteacher & Business Manager

The Administration Officer enters details onto the computerised purchase system. The system automatically checks that budget limits are not exceeded and automatically allocates the next sequential order number. The order will be rejected if it would cause the budget to be exceeded.

Any budget increase to allow further spending is negotiated with the Headteacher.

- A copy of the order is faxed or posted to the supplier, and is then filed in numerical order in the SBM's office.

- Once an order is authorised the FMS computer system automatically registers a commitment against the budget for that cost centre/ledger code.
- All deliveries are received and signed for at the School Office.
- The goods and delivery note are subsequently checked by the person who ordered the goods or by teaching assistant, to establish the goods are complete and correct. The checked delivery note is passed to the Administration Officer and any shortfalls or damaged goods are dealt with.
- Orders should be used only for goods and services provided to the school. Individuals must not use official orders to obtain goods or services for their private use.

## **Invoicing**

Invoices are passed directly to the Administration Officer for processing as follows:

When the invoice arrives, the AO checks the invoice quantity and cost against the delivery note and order. Payments are made within the supplier's credit terms. The delivery note and copy of the order are filed alphabetically by supplier.

Invoices are paid as above or as may ultimately be advised by the Business Manager in accordance with budget receipts. Cheques are normally raised weekly. On the due payment date, the Business Manager authorises the payments raises/prints the cheques and attaches to the respective documentation. Spoilt cheques have "cancelled" written across and stapled to the back of the cheque book, if a manual cheque, or filed separately.

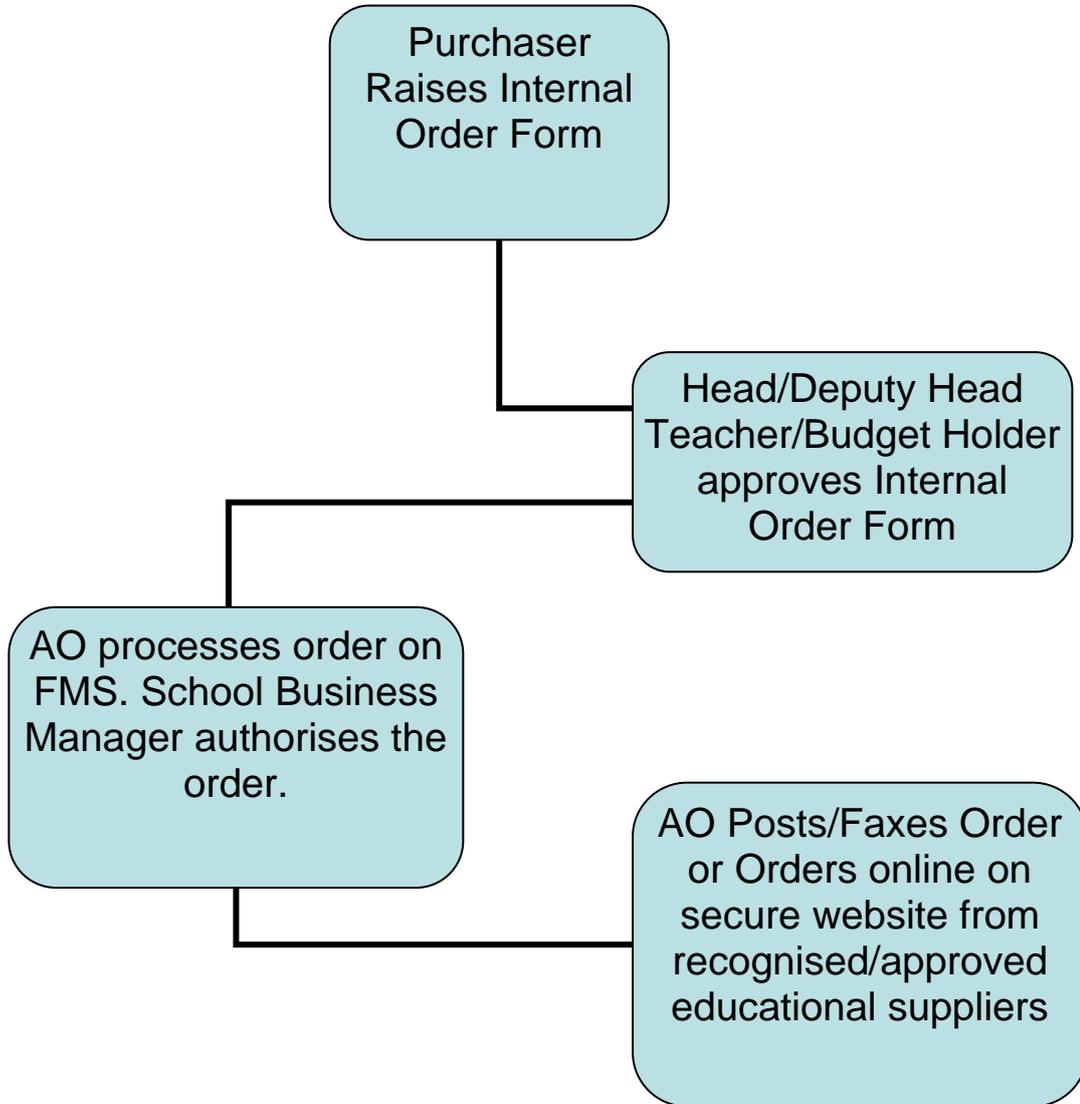
The cheques with all documentation then pass to the first signatory (usually the Headteacher), who will sign the cheque and manually authorise the invoice. The documentation and cheques then pass to the second signatory (Deputy Headteacher). Documentation is then filed accordingly as above. Self-authorisation is not permitted and cheque payments to claimants, who are also bank account signatories must be signed by other signatories. Self-authorized payments by cheques must be signed off by the Chair of Governors for claims over £100. Other claim by the Headteacher, which are below £100, must be signed off by the Deputy Headteacher. Invoices for services rendered will be authorised by the Headteacher before payment, after satisfactory completion of the work.

## **Non order invoices**

- **Utility Costs:** The Premises Manager reads the meters for Gas, Water and Electricity at the beginning of each month. These are held by the SBM and checked against invoices. Telephone bills are regularly checked.
- **Contracts:** Invoices relating to signed contracts are checked back to the agreed contract details.

## Summary Authorisation Procedures

The school must have raised a purchase order before an invoice is received.



<b>Stage</b>	<b>Personnel</b>	<b>Action</b>
<b>1</b>	Budget holder completes order	Authorised by Headteacher/deputy head/budget holder
<b>2</b>	Administration Officer (AO)	raises order
<b>3</b>	Business Manager	authorises printed order
<b>4</b>	Administration Officer (AO)/ Budget holder/teaching assistant	checks delivery and signs delivery note
<b>5</b>	Administration Officer (AO)	posts invoice
<b>6</b>	Headteacher	Authorises payment
<b>7</b>	Business Manager	Electronic authorisation/raises cheque
<b>8</b>	Designated signatories (see below)	sign cheque

### **Postage**

The Administration Officer is authorised to purchase postage stamps through GLS. A postage book is held in school.

### **Bank account signatories**

- Headteacher
- Assistant Headteachers
- Inclusion Leader
- Chair of Governors

### **Transfer of Responsibility**

In the absence of key personnel in the financial chain it is essential that all staff are aware of the processes and replacement for those persons to ensure the continuity of the school functions. Such transfer is only acceptable if it complies with the LB Brent financial regulations and any long term absences must be prudently covered. Institutions such as the bank must be advised immediately of the change of signatories. Holiday cover must also be taken into consideration and the school has made the following arrangements for replacement personnel to assume other functions:

#### Original

- a. Headteacher
- b. Business Manager
- c. Administration Officer (AO)

#### Replacement

- Assistant Headteacher
- Headteacher/ Administration Officer (AO)
- Business Manager

## **SECTION 6- SCHOOL ASSETS**

### **SCHOOL ASSETS**

Items over the value of £100 are recorded in the assets register by the Administration assistant. Each item in the register is recorded chronologically as to acquisition. Date of purchase, valuation, location and registration number are also recorded. A copy of the asset register is held in the school safe. Copy invoices relating to the purchase of school assets are kept with the register in the school office.

### **DISPOSAL OF ASSET**

Disposal of any asset is with the approval of the GB in accordance with LBB procedures. Delegated authority is given to the head teacher to dispose of items which have depreciated to nil value. The headteacher will report as to authorised disposals and income recovered is paid into the school bank account.

- Headteachers must ensure that a member of school staff who determines that an asset is surplus to requirements or is involved in the disposal must never attempt to purchase it or take it for themselves. There must be a clear separation of duties here.
- Headteachers must appoint a single person responsible for disposal whose name must be clearly identified in the disposal file. He or she should be instructed in writing on the disposal and will be accountable to the Head Teacher and Governing Body for ensuring that disposal is for the best price reasonably obtainable.
- All paperwork in connection with the disposal must be kept in the disposal file. The file should be kept for a period of six years after the disposal. The file should include at least:
  - the Headteacher's written record declaring the asset surplus, and instructions to the person appointed as responsible for the disposal;
  - the independent valuation;
    - the advertisement;
    - the offers made; and
    - the receipt.
- In order to achieve the best price reasonably obtainable all assets for disposal with a value exceeding £500 must be subject to independent valuation and/or disposed of by way of either:
  - competitive bids following advertisement;
  - auction;
  - or both.
- Where the estimated value of the asset is less than £500, an independent valuation alone is acceptable provided the person giving the valuation is qualified to judge, is clearly identified in the disposal file, and is properly independent.
- All assets should be offered to other schools before members of staff or the public. Information about the assets available should be circulated to all schools and adequate time allowed for them to make a bid. A sale may proceed to any person offering at or above the valuation. If there is competition, the sale should be to the highest bidder.

## **RETENTION OF DOCUMENTS**

The following items must be retained indefinitely or during the whole of the school's possession of the relevant asset and for **twelve** years afterwards:

- Property deeds, contracts and leases relating to land and buildings in the ownership or occupation of the Council or Governing Body.
- Share certificates, stocks, bonds and other securities together with any appropriate contracts of purchase or sale.
- Guarantees, indemnities, insurance policies.

All other contracts carried out under the seal of the Council must be retained for **twelve** years after completion of the contract

Local authorities are required by statute to retain all accounting documents for a minimum of six years plus the current tax year. The statute of limitations for contracts not under seal applies for six years after completion of the contract. In addition HM Revenue & Customs may inspect documents for a period of six years. Officers can be held personally liable where documents required are not available. In order to give effect to these requirements the following documents must be retained for a minimum of **six** years plus the current tax year:

- All accounting documents including invoices, contract certificates, paid cheques, bank statements;
- Debtor accounts, income receipts and associated documents;
- All contracts not under seal for works, goods or services (six years after completion of the contract);
- All tender and related documents (six years after completion of the contract);
- Details of salaries, wages and superannuation payments including particulars of pay calculations, copy payslips, P60 documents.

Audit and Investigations must be consulted before Head Teachers copy documents not previously copied or use a new method to ensure such methods would be accepted for evidence purposes.

Headteachers shall nominate a member of school staff to make safe arrangements for the storage and review of information. All records must be properly indexed to allow efficient recovery.

An annual physical check is carried out by the Business Manager. All assets identified as missing at the time of checking are investigated as soon as possible by the Head teacher or the Deputy Head and if not resolved reported to the Governing Body.

## **LOAN OF SCHOOL EQUIPMENT**

If items of School equipment need to be removed from site, a request is made to the Headteacher by the borrower who completes the loans form and obtains authorisation from the Headteacher. The form is retained in the loans file in the school office and notification of return is given to the Business Manager noting any defect or damage. Loans are normally allowed over week-ends or short term holiday and any long term loan is negotiated with the Headteacher. The loans form must be completed for insurance purposes to cover loss, damage or theft either under circumstances within school or in relation to the borrower's own property. Items removed from the school premises are not covered by the school's insurance and are the liability of the borrower. The loans form also serves to eliminate possible queries which may be raised as to unauthorised disposals.

## **SECTION 7: STAFFING AND PAYROLL**

### **Personnel and Payroll Procedures**

Documents relating to the employment of staff are authorised by the Headteacher. Amendments to salaries are also authorised by the same although amendments to the Head teacher's salary must be signed by the chairman of governors.

Appointments are advertised externally through the school website, the LDBS, the DfE's teacher recruitment service and any other available avenues and internally in the staff room. A deadline is specified and application forms are sent to interested candidates by the Business Manager who collates the applications once they have been submitted. Shortlisting is carried out by the Headteacher, SLT and one or two governors depending on the nature of appointment. Interviews take place using a scoring system conducted by Headteacher, SLT and one or two governors. The appointment is made subject to references and DBS check.

University of Teeside provides the payroll services. Payroll is advised of new employees by the Business Manager and the Headteacher authorises all payroll advices. When the payroll printouts are received, these are checked by the Headteacher for overview of salary levels and personnel. The Business Manager checks specifically for correct payments including changes to salaries, deductions, sickness and maternity amendments and overtime. The Business Manager monitors the salaries' profile and advises of anomalies. There is close liaison between the Headteacher and Business Manager as to changes forms for starters, leavers and additional payments.

### **Professional development**

Staff may apply for funding from the budget for training courses relevant to their post. The Headteacher authorises all training expenditure.

**TERMS OF REFERENCE FOR THE  
Finance & RESOURCES COMMITTEE**

**MEMBERSHIP**

Membership of the Committee will be as appointed by the full Governing Board.

At the first meeting of the academic year a Chair/**vice chair** will be appointed by the Committee. No member of this committee who is an employee at the school will be eligible to stand for the position of Chair/**vice chair**.

The committee may exercise the option of co-opting associate members to sit on the committee. Such members would have voting rights and would be included in confidential proceedings (**provided they are not members of school staff**).

**QUORUM**

A quorum for any meeting will be three governors, two of whom must be non-staff governors.

**FREQUENCY OF MEETINGS**

The Committee will meet at least once a term and at other times as required.

**Principal functions**

**A. Finance**

*Annual Budget*

1. To review the annual budget prepared for approval by the full Governing Board. In reviewing the budget the Committee will:
2.
  - consider how budget shares allocated by the LA and funding received from the LDBS should best be deployed.
  - have particular regard to the priorities set down in the school development plan (and any Post OFSTED Action Plan).
3. To review financial policy statements and procedures and to make recommendations to the full Governing Body about the expenditure limits for the Headteacher and the **Finance & Resources Committee**.
4. To receive financial reports (at least termly) and monitor income and expenditure of all public funds including LA and LDBS devolved funds, in accordance with the Financial Plan and budget for the year.
5. To receive, and where appropriate respond to, the periodic audits of all public funds. To ensure this is reported to the full governing board and the audit report is available for all governors to see.
6. To vire funds and authorise expenditure within the pre-set limits and to notify the GB of any virements above the limit set for this committee.

7. To regularly review the scheme of delegation for the school, including the level of delegation to the Head teacher for the day to day financial management of the school, and present to the GB any recommendations for change.
8. To advise the Headteacher and Governing Board on matters relating to budgeting and finance and to monitor these aspects within the School Improvement Plan.
9. To effectively review the schools procedures yearly to ensure compliance with the School Financial Value Standards (SFVS) and that the GB has annually approved the final SFVS document within the set deadlines.
10. To produce an effective and robust action plan to rectify any areas of non-compliance with SFVS,
11. To benchmark the school performance and produce reports to this committee on an at least annual basis in line with the SFVS requirements
12. To review the data produced from the SFVS dashboard and further analyse any negative variances highlighted by the dashboard report

*School Maintenance and Development Fund – Alison – who maintains this fund and are these bullet points listed below complied with as per the set deadlines and frequencies etc. Also need to get the bank account signatories sorted out – especially if Rob is leaving*

1. To review and make recommendations to the full Governing Body on the suggested level of voluntary contributions to be made annually by parents.
2. To ensure that proper accounting records are maintained for the School Maintenance & Development Fund.
3. To receive and review regular reports from the treasurer of the School Maintenance & Development Fund.
4. To ensure that an independent examination is conducted annually of non-public funds including the School Maintenance & Development Fund for presentation to the full Governing Body.
5. To ensure that a bank account is set up with at least three signatories for which monies received may be held. The three signatories should be COFG, Chair of Committee and one other member of the Committee.

#### *Other finance functions*

1. To consider and make recommendations to the full Governing Body about long-term planning and resourcing.
2. To prepare for approval by the full Governing Body, and keep under review, the school's policy on charging for school activities.
3. To ensure the financial management of the school is operating in accordance with the Financial Regulations of the Local Authority/LDBS and other relevant guidance, codes of practices, etc.
4. To look into any other revenue streams that may be open to the school through the letting of premises as well as any grants that we may be entitled to bid for.
5. To ensure a record is kept of pecuniary interests of Governors and staff, and that the list is available and open to inspection.

## **B. Staffing**

1. To keep under review all policies relating to the:

- employment
- recruitment
- selection
- appointment, promotion & review
- grievance
- discipline
- union consultation
- remuneration, terms and conditions and development

of all staff and to make recommendations for change to the full Governing Body for approval.

2. To monitor the effective implementation of all staffing policies.

3. To keep under review the overall staffing and management structure of the school, in line with the priorities set down in the School Improvement Plan, and make recommendations for change to the full governing body.

4. To recommend to the Governing Body an appointment procedures for all staff (except for the post of Head and Deputy Head, which will be separately determined by the Governing Body as the need arises). The recommendation to include the degree of governor involvement in appointments, dependent on the level of responsibility of the post.

5. To monitor implementation of the agreed appointment procedures.

6. To ensure that all salaries are reviewed annually, in line with the relevant conditions of service, and at other times as appropriate. This to include ensuring that an Annual Review of the Head's and Deputy's pay is undertaken each year in accordance with the National Pay & Conditions Document and attendant circulars.

7. To ensure that a performance management framework, including the need for regular appraisals to be undertaken in line with agreed policy is in operation within the school.

8. To review staff development opportunities being provided for all staff. Question – how is this monitored – Alison – should be include something more here?

9. To monitor all personnel aspects of the School Improvement Plan.

10. To maintain standards, including ensuring all appropriate policies and procedures are in place – Alison – not sure if this reads correctly – how will we measure the expected standards are being maintained??

### **Premises**

1.To consider the repair and maintenance needs of the school.

2.To be responsible for the Health and Safety issues within the school including oversight of the yearly Health and Safety Audit. – need to check this is being done annually and the committee receives a report from the annual H&S audit – I think in the past we have usually had a verbal update???

3.To monitor the use of the school premises and site by outside users for non school activities in accordance with the school lettings policy.

4.To review annually the charges for out of hours use as part of the annual review of the schools letting policy – not sure if this is done annually – obviously not having any lettings at the present time.

5.To monitor service contracts with relation to the school premises to ensure that we are getting the best value for money.

## **Marketing**

1.To work closely with the school to build an effective Marketing strategy with the end result being a more positive perception of the school in the local area which will hopefully lead to an improvement in our Numbers on Roll.

2.To improve the schools presence on social media through Twitter and Facebook.

3.To look for local events where we can have a positive presence to promote our school (Queens Park Day)

4. To inform the wider community about our schools achievements and those of our pupils. By what method/process will this be done?

## **Administrative arrangements**

Agendas will be sent to all members of the committee at least seven days in advance of the meeting.

Minutes will be taken and circulated prior to the termly GB meeting. Any confidential items will be minuted separately and will not be available for public inspection.

Policies to be reviewed/approved by this Committee

Autumn Term  
Business Continuity Plan  
Charging and Remissions Policy  
Financial Procedures and Scheme of Delegation  
Volunteers Policy

Spring Term  
Governors Allowance Policy  
Gifts and Hospitality Policy  
Lettings Policy  
Premises Management Policy  
Risk Register and Risk Management Policy

Summer Term  
TBC