

# Manor Park

# Primary School



## Finance Policy

<b>DATE OF LAST REVIEW:</b>	<b>MARCH 2021</b>
<b>SHARED WITH STAFF:</b>	<b>MARCH 2021</b>
<b>SHARED WITH GOVERNORS:</b>	<b>MARCH 2021</b>
<b>FREQUENCY OF REVIEW:</b>	<b>3 YEARS</b>
<b>DATE OF NEXT REVIEW:</b>	<b>MARCH 2024</b>



## Roles and Responsibilities (Finance)

### Governing Body

The Governing Body receives its delegated powers from the City Council under the Fair Funding Scheme of Delegation (FFSD). The Governing Body is responsible for the observance of Financial Regulations as contained in the FFSD. This includes:

- Observance of other financial provisions issued by the LA (e.g. Schools Finance Manual, Final Accounts procedures, and so on)
- Safeguarding of funds (including maximisation of interest income, cash and bank account controls and so on)
- Financial management and probity within the school.
- Establishing and recording the responsibilities delegated to the Headteacher
- Managing the funding available to the school, for instance;
  - Considering, reviewing and approving the school budget to reflect the policies and principles established in the School Improvement Plan.
  - Establishing / recording the authority and limits for virement, together with the reporting/recording arrangements.
  - Ensuring that there is a suitable budget management / control system in place.
  - Monitoring arrangements and requiring explanations for any variations to budget.
  - Taking corrective action to bring spend in line with budget
  
- Establishing the timing and type of reports required by the Governing Body
- Taking appropriate action whenever they become aware that something is unsatisfactory, seeking advice from the Schools Finance Manager as appropriate
- Providing financial information to the Schools Finance Manager as and when required
- Ensuring an inventory is maintained
- Ensuring that best value can be demonstrated including following correct procurement procedures
- Paying invoices and collecting debt promptly (including debt write-off procedures)
- Ensuring the school is compliant with the Financial Management Standard in Schools
- Taking appropriate action in response to concerns raised by the LA
- Compilation / approval of business / financial plans to support credit union loan applications / community facilities
- Adherence to VAT & PAYE guidelines
- Ensure that staff have access to Whistle-blowing policy
- Complete a competency assessment and address training needs.

## Headteacher

The Governing Body will delegate day-to-day responsibility for managing the school to the Headteacher. The Headteacher should ensure that he/she fulfils the responsibilities of any powers delegated to them.

This delegation includes:

- Preparation, monitoring and review of the School Improvement Plan for approval by the Governing Body
- Preparation of the budget for approval by the Governing Body based on the principles and policies contained in the School Improvement Plan
- Day-to-day management, monitoring and review of the budget. Identification of any deficiencies and actioning appropriate remedial action
- Operation and application of the financial management and probity. Establish administrative and financial procedures to ensure effective control.
- Prepare and present accurate, timely reports to the Governing Body and the Schools' Finance Manager as necessary. Identify any major variations due to changing circumstances. Report any deficit budget to the SFM and Governing Body.
- Fully investigate and if necessary carry out a feasibility study and provide a financial plan for any new initiative, including the results and conclusions in a report to the Governing Body. If the initiative is accepted, initiate on-going monitoring and regular reports to the Governing Body
- Establish a forum for report back from budget holders
- Management of the SIMS system - ensuring information is timely, accurate complete and up-to-date.

In addition the Headteacher should:

- Observe financial regulations / provisions in the FFSD and other LA publications (e.g. Schools Finance Manual)
- Establish and record the responsibilities to be delegated to the Finance / Admin Staff and Budget Holders.
- Ensure that staff with delegated finance responsibilities receive adequate training to ensure they can fulfil those responsibilities
- Establish systems to ensure staff are fully protected
- Complete a competency assessment for staff with financial responsibilities and ensure training needs are addressed

## Finance/Admin Staff

The School Business Manager has a responsibility on a day-to-day basis for the line management of the Office Manager, Finance Assistant, 4 x Administrative Assistants.

Finance/Admin Staff operate under delegated power from Headteacher, and are accountable to the Headteacher and Governors. Responsibilities are to:

- Provide the day-to-day operation of efficient, effective, timely, financial and administrative processes
- Support budget holders by providing advice and information as and when required
- Administer the day-to-day operation of the Schools Information Management system (Bromcom), for example:
  - Payment of invoices
  - Collection of debt
  - Bank reconciliations

- Ensure that Bromcom data is up-to-date, holistic and has integrity.
- Report any issues that might have an impact on the integrity of data on Bromcom to Headteacher at the earliest opportunity
- Provide financial information and relevant reports to the Headteacher, Governing Body, budget holders and Schools' Finance Manager, to an agreed format and timetable.

The duties of the Administrative staff are:

- Day-to-day operation of the Bromcom system – Finance/Admin staff
- Monitoring control centres expenditure – SBM/Finance Assistant
- Raising orders on request from budget holders – Finance Assistant/Admin Assistant
- Preparing invoices for payment after the Headteacher/SBM's authorisation and payment of invoices - Finance/Admin staff
- Raising school invoices for services provided by the school – Finance/Admin staff
- VAT returns –SBM/Finance Assistant
- All matters relating to School Fund – SBM/Finance Assistant
- Providing all required financial information – SBM/Finance Assistant
- All matters relating to banking – SBM/Finance Officer
- Checking delivery notes for goods/services received – Finance/Admin staff

## **Budget Holder**

Operate under delegated power from Headteacher within the school's financial regulations as defined by the LMS Scheme, and are accountable to the Headteacher and Governors. Responsibilities are to:

- Assume responsibility for an area of budget and authorise all transactions against their budget
- Ensure that commitments are raised for all transactions, so that reporting information is accurate
- Control and monitor expenditure against the budget, including the reporting of variations/potential variations to the Headteacher at the earliest opportunity
- Agreeing the budget for which they are responsible
- Receive regular timely, accurate budgetary control reports for their area of responsibility
- Highlighting significant variations
- Reporting any significant on-going variations to the Headteacher
- Preparing reports on the area of responsibility for the Headteacher or the Governing Body as necessary or requested
- Plan for the future development and needs of their areas of responsibility.

Budget holders will have responsibility to determine how allocations are spent, in line with priorities outlined in the School Improvement Plan for the year. They cannot over-spend their allocation, but the Headteacher may vire money from or to a budget heading after consultation with the budget holder if it is deemed necessary for school development. These virements will be recorded by the Headteacher and reported to the Finance Sub-Committee at their next meeting.

## Delegated Authority

Area	Authorised Individual	Authorised Limit	Frequency of approval
Annual setting of the School Budget	Governors	Cannot delegate	Each year
Virements	School Business Manager/School Finance Manager	As stated in terms of reference	As and when – virements below limit should be approved by Governors retrospectively
Ordering	Budget holder	To limit of budget for which they have responsibility	Yearly as part of the budget setting process
Invoice Payment	Admin. Officer		
School Business Manager	Admin officer		
Debt write-off (part of Debtors policy)	Headteacher	Limit approved by Governors but cannot exceed £250. Amounts over £1,000 must be approved by Local Authority	As part of the Debtors Policy
Disposal of Assets (write-off / sale)	Governors		As and when

## Other Specific Finance Policies

The school should include the following finance policies as appendices, and indicate how frequently they are reapproved

- Debtors Policy
- Charging & Remissions Policy (incl. School Meals)
- Lettings Policy
- Disposal of Equipment Policy
- Statement of Internal Control
- Best Value Statement
- Register of Business Interests
- School Fund Constitution
- Governing Body Meeting Terms of reference (including clerking arrangements)

## **Fair Funding Scheme of Delegation**

This document sets out the financial relationship between schools and the Local Authority. This document should be available within the school. It is available at:

[https://www.coventry.gov.uk/downloads/download/3436/fair\\_funding\\_scheme\\_of\\_delegation](https://www.coventry.gov.uk/downloads/download/3436/fair_funding_scheme_of_delegation)

On an annual basis – towards the end of the Autumn Term – the Local Authority consults with all school stakeholders on changes to the Fair Funding Scheme and formula.

## **Financial Benchmarking**

Compare our school's financial data benchmark our income & expenditure against other similar size schools.

[Manor Park Primary School - Schools Financial Benchmarking - GOV.UK \(schools-financial-benchmarking.service.gov.uk\)](https://schools-financial-benchmarking.service.gov.uk)

## **Communication to staff**

Financial decisions are communicated to staff either directly through line managers, through the Staff Briefing, through access to the LA's communication system (CLG)

## **Recruitment of staff with financial responsibilities**

When recruiting staff with financial responsibility the Headteacher and Governors will take advice from the City Council's Human Resources Team to ensure that job descriptions and person specifications detail the requirements and competencies.

## **Service Level Agreements**

Service Level Agreements are sought from outside agencies and service providers. They will have been produced through consultation and agreement with Headteachers' Reference groups.

Governors' Finance Sub Committee will consider the costs and services provided as part of the budget setting process and will determine which service level agreements to purchase. They will monitor the quality of delivery and value for money.