

Finance Policy and Procedures

Statutory or non-statutory	Statutory
Reviewed by full Governing Body or committee	Resources, Site & Building
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1. Introduction

This document sets out the roles and responsibilities of school management and staff in relation to the Financial Arrangements within the school. This Finance Policy abides with financial standards as set by the DfE, and the London Borough of Havering. The Governing Body controls this Finance Policy.

2. The Governing Board

An elected Governing Body manages the school. The Governing Body is responsible for delivery of an effective and efficient education for the pupils of the school. The responsibilities are wide ranging and cover all aspects of the curriculum, staffing, premises, health and safety, admissions (VA and foundation schools only), attendance, discipline and finance.

The governors currently serving on the Governing Body and the categories in which they serve are shown below:

Parent Governors	Authority Governors	Staff Governors	Co-opted Governors
Sarah Harris	Penny Taberman	Natalie Sansom (HT)	Jackie McLarens
Emma Nicholls		Erica Mason	Tony McDonach
			Derek Moody
			Kim McWilliam
			Lynn Smith
			Sue Randlesome

Further detail of the Governing Body is held by the Headteacher and follows the relevant section of the **Welcome to Governance** issued by National Governors' Association.

In terms of the finance responsibilities, the role of the Governing Body is:

- To take responsibility to ensure the available resources are used effectively and efficiently.
- To set controls for both the financial and operational aspects of the school that are consistent with best practice and statute as defined by the Financial Regulations for Schools.
- To formulate the budget plans and oversee the use of this budget.
- To evaluate financial reports from the Resources, Site & Building Committee and School Business Manager.
- Review the delegated responsibilities annually.

The Acting Chair of governors is: Kim McWilliam

The Vice Chair of Governors is: currently vacant (voted at next Full GB meeting in Nov 2023)

The Governing Body delegates some of its powers within a committee structure as well as the Headteacher.

The Committees follow a defined terms of reference and functions are covered within the committee structure below:

- The Resources, Site & Building Committee.
- The Curriculum & Pupil Related Matters Committee

The Governing Body meets termly as shown in line with the school's adopted timetable.

3. The Resources, Sites & Buildings Committee terms of reference (appendix 10)

The current Resources, Site & Building Committee is made up as follows:

Mr A McDonach (Chair)
Mrs S Randlesome
Mrs S Harris
Mrs P Taberman
Mrs N Sansom
Chair or Vice Chair to attend budget meetings

The full remit of the Resources, Site & Building Committee is shown in [Annex 2](#)

4. The Role of the Headteacher

The Headteacher controls the day to day activities within the school and all staff report to the Headteacher within a management structure.

The Headteacher is responsible for the day to day activities of finance and administration. The Headteacher's role is:

- To advise the Resources, Sites & Buildings Committee and/or the Governing Body on the position of the school budget, which is monitored on a monthly basis by the Headteacher and School Business Manager.
- To ensure the Governing Body and/or the Resources, Site & Building Committee are provided with relevant and timely information for them to discharge their duties.
- To ensure the requirements of the Governing Body are carried out.
- To alert or inform the Governing Body of any matters considered relevant.

- To ensure all financial matters are undertaken in compliance with DfE guidelines and the Financial Regulations for Schools.
- Manage the day to day budget in line with the expectations of the Governing Board.
- To ensure all financial returns are completed and submitted within the required time scales.

The Headteacher delegates these responsibilities to the School Business Manager.

5. Financial Regulations

The school aims to always follow the guidelines as documented in the London Borough of Havering Financial Regulations for Schools as issued by the LA. In adopting these guidelines, it is assumed that the school operates within the financial guidelines of the London Borough of Havering and the DfE.

6. General Arrangements for Financial Control and Accounting Arrangements

The school follows the guidelines for financial control and accounting as shown in the London Borough of Havering Financial Regulations for Schools, sections 1 and 2.

7. Banking

The schools main bank account is held with Lloyds Bank and the signatories on the bank mandate are those also listed within the Scheme of Delegation.

The school's private bank account(s) is/are held with Lloyds Bank.

Reconciliation of bank statements to the financial records held in SIMS FMS is carried out at least monthly. Copies of the reconciliations are sent to the LA each month.

8. The Scheme of Delegation

The Scheme of Delegation lists the financial responsibilities of the staff and governors within the school. This delegation is the distribution of responsibilities of the Governing Board.

The Headteacher and the Resources, Site & Building Committee review the scheme annually ensuring that the correct levels of delegated powers are given to individuals or committees. The Full Governing Body endorses the review before any changes are exercised.

Delegated powers include both financial and non-financial functions.

The scheme sets out the delegated powers that come with the responsibility of a particular role. It assumes that the delegated power transfers to the new post holder if the original post holder leaves the school. However, whenever such a change occurs the scheme is updated to include the name of the new responsible member of staff.

The scheme ensures that no one individual has the authority to perform an entire process where school delegated funds are involved.

All staff are made aware of the delegated powers that they have been given and are required to complete a declaration accepting the powers and responsibilities.

The full list of delegations can be found in [Annex 3a](#), this is communicated to all staff and governors at least annually.

9. Pecuniary Interests and Relationships

It is the responsibility of the Headteacher and the Governing Body to ensure that staff and governors do not directly or indirectly benefit financially when spending public money.

To control this conflict of interest, the school has established a register of pecuniary interests and relationships of all staff and governors.

All governors, senior managers and staff with financial responsibility are required to disclose any interest they have in any of the firms on this list. Additionally, they are asked to disclose any links they have with local firms (or national firms if relevant) that may provide services to schools.

All staff and governors are required to disclose any interest as soon as they are aware of the link. At the start of every Governing Body and Committee meeting attendees are given the opportunity to declare any pecuniary interest.

The register is available for inspection in the school office.

The Declaration of Business Interest and Relationships can be found in [Annex 4](#).

10. School Improvement Plans and Budgets

The senior management of the school produce, annually, a School Improvement Plan (SIP). The aim of this plan is to develop a strategy for improvement in all aspects of the school.

The SIP covers a medium term strategy but is linked to annual budgets.

The Governing Body reviews the SIP in the Autumn Term and records the resource requirements arising from the plan in the annual budget for the relevant financial year.

The annual budget process must be completed for submission to the LA by 1st May each year. The school management and the Governing Body also abide by the processes and procedures within the LA's Scheme for Financing Schools. Reporting of the budget to the LA follows the required format of the LA.

The school always aims to produce a balanced budget with the approval of the Governing Body and plans for 3 financial years in advance to ensure that current spending decisions do not impact adversely on future budgets producing deficits or excessive carry forward balances.

11. Budget Monitoring and Adjustments

The Headteacher and the School Business Manager monitor expenditure against the budget on a monthly basis and retain annotated monitoring reports as evidence of regular monitoring and for audit purposes. The Headteacher will present a report on the budget position to the Resources, Site & Building Committee each term. Monthly finance reports are submitted to the LA and put on Governor Hub with a budget narrative for RSB, to scrutinise. The meetings of the Resources, Site & Building Committee are timed to support the planning process and are shown on the timetable in [Annex 1](#).

Any material variances in expenditure are reported to the Chair of the Resources, Site & Building Committee as soon as they are identified.

In the management of the budget, there is, on occasion, a need to transfer budgets with changing priorities. All such budget adjustments or virements are recorded and must be authorised before being processed.

The authority to make budget virements is detailed in the Scheme of Delegation in [Annex 3](#).

Virements between the capital budget and revenue budget are not allowed. Virements into and out of other ring-fenced budgets is also not permitted.

12. Internal Financial Control and Data Security

All duties and financial procedures are in line with the LA regulations as documented in the Financial Regulations for Schools.

The LA conducts the programme of Internal Audit using LA and external audit services. These audits cover the use of public funds. Audits are conducted tri - annually. The school purchases an annual audit in the interim years.

School Private Funds are independently audited annually by the end of the autumn term. The appointed Auditor is Jackie Long.

There are written descriptions of financial systems and procedures that are kept up to date and accord with any audit or other guidelines from the LA and the financial regulations of the Council.

Staff members are properly trained in the financial systems and procedures. The Resources, Site & Building Committee undertakes regular reviews of training needs.

There are cover arrangements in place for key financial staff and management. These arrangements include the performance of key tasks and the transfer of responsibility during the period of cover.

Transactional control is supported by systems that include segregation of duties wherever possible:

- At least 2 people are involved in the ordering of goods and that one provides a check for the other.
- The duty of calculating, checking and recording of money is separated from duty of collecting and paying out money.
- Any alterations to original documents (such as cheques, invoices and orders) are made in permanent form. The use of correcting fluid and the erasure of information is not acceptable. Any alterations are properly and clearly initialled and dated. Where alterations are made early in the cycle of duty, all authorisations after the alteration must confirm note of the alteration.
- All financial transactions are traceable from the original documentation to accounting records both at school and local authority level and vice versa with all checks being carried out on documents being recorded.
- Financial records are kept properly and securely in accordance with the requirements of the LA regulations.

BACS payments

The School Business Manager produces the BACS report to be signed by an official signatory (cheque signatory). The Business Manager produces an audit trail report to confirm there are no changes to the supplier details since the BACS report was run. The second official signatory (cheque signatory) signs the BACS report and audit trail, and authorises the BACS payment to be made. All reports are kept together for audit purposes. The two signatories then sign in and approve the BACS transactions using passwords and PINS. Bacs Payment is finally submitted by HT.

13. Computer Systems

Control and security of data is maintained within the parameters of the Data Protection Act and legislation and DfE guidance on the safeguarding of children.

As such, access to financial and operational systems is carefully controlled. The Access rights on the SIMS FMS financial systems are shown in Annex 6. These access rights also support the Scheme of Delegation.

The Headteacher ensures adequate separation of duties between personnel entering and authorising data on the computer system is in place.

The Headteacher ensures that only authorised software is used in order to prevent the importing of computer viruses. Virus checking software is also used.

Passwords are changed regularly and are “strong” passwords, known only to the password holders. The System Manager has access rights to reset passwords for staff. Main system passwords are kept in the school safe.

A full backup is taken daily, remotely by ECC.

The school has an Emergency Plan in place that ensures data can be recovered. It is recognised that all data needs to be backed up and held off-site. The company which manages the stored data complies with the Data Protection Act 1998 has clear guidelines on how data should be stored and transmitted and adheres to the current European Economic Area (EEA) guidelines.

Arrangements for backup of data are through the following provider and are detailed within the service level agreement: London Borough of Havering Educational Computer Centre.

Data is backed up and stored offsite as per the current EEA guidelines for seven years.

14. Purchasing

All school purchases made, and contracts awarded, comply with all relevant United Kingdom and European legislation and;

- ensure value for money is obtained
- maximise competition wherever possible
- are in accordance with best practice
- ensure a fair and transparent process
- demonstrate with evidence that there was a fair process and value for money was obtained for the audit trail

The school follows the LA's purchasing guidelines as documented in the **Financial Regulations for Schools, Section 8**.

Any Capital expenditure also follows these guidelines as well those shown in **Section 6, Financial Regulations for Schools**.

Financial expenditure quotation limits set with the Financial Regulations are also shown in Annex 7.

The School Business Manager adds all new supplier details and updates current details in the Accounts Payable System in SIMS FMS. In order to ensure segregation of duties the Finance Assistant raises orders which are authorised by the School Business Manager, HT or DHT.

Approval of invoices is carried out in accordance to the authority granted within the Scheme of Delegation (Annex 3).

Requisitions / Orders for goods and services are requested by school staff and these requests are counter-signed by the School Business Manager, Deputy Headteacher / Headteacher. Orders are placed and approved in accordance with the scheme of delegation. Receipt of goods/services is authorised by Site Manager/ Admin Assistant. Invoices are checked against the order and goods

received note. The invoices are approved and entered to the Accounts Payable system by the School Business Manager.

Payment of invoices is made using BACS and very occasionally by cheque. Two authorised members of staff sign each cheque or approve the BACS payment. Ideally, the person authorising the invoice or the person who ordered the goods or services concerned does not sign related cheque payment.

15. Leasing Arrangements

The school does not enter into Finance Leases as it is not permitted as per Schedule 1 of the Education Act 2002.

The school will only enter into an Operating Lease with express approval from the Education School Business Manager (LA).

The school submits annual returns detailing leases held, to the LA.

16. Income Management

In addition to income received from the local authority for the school's delegated budget, the school collects income from the following sources:

Pupils	- for school trips
Pupils	- as fund-raising donations
Parents Associations	- for specific funding of projects
Customers	- for hire of school premises

All income collection is accounted for within the school office.

A record is kept for each type of income and where required (e.g. lettings) an invoice is presented to the hirer.

Any cash/cheque payments are banked promptly. Income relating to the school budget is banked in the school's main bank account. Private funds are banked in the School Fund Account. School is mostly cashless using SchoolComms.

17. Petty Cash

The school no longer holds petty cash. Any small reimbursements to staff are made by BACS. Purchases or expenditure must be pre-authorized by the Headteacher.

18. Lettings

The school lets out its facilities and related equipment to the public outside school hours.

A charging scheme is operated that also outlines the facilities available for hire and the terms and conditions of hire. See Annex 8.

The Governing Body reviews scales of charge annually to ensure the income is maximised.

The insurance and security arrangements are also reviewed annually to ensure there is adequate protection for both the school and the hirer.

The school leases part of its premises to Playhouse Preschool and payment is made by BACs to the school account monthly. Energy and cleaning costs are reviewed annually.

19. Inventory and Assets

The school maintains an Inventory Register based on the Inventory Control Policy provided by the LA. The register is recorded in electronic format.

The School Business Manager is responsible for the maintenance of this register.

All assets are security marked using Ultra Violet Pens. The security marking is noted on the Inventory Register and Smartwater. The Inventory is reviewed and checked annually (usually in January). The findings of this annual inventory check are reported to the Resources, Sites & Buildings Committee highlighting the condition of assets and also missing items.

The Inventory Control Policy is shown in Annex 9.

20. Voluntary and Private Funds

The school has a safe and efficient system for the custody and control of voluntary funds under the control of the Governing Board.

The School Business Manager acts as treasurer.

Voluntary funds and related records are kept separately from official school funds.

The accounting procedures reflect the standards for accounting for public money as with the Delegated School Budget above.

All controls described in the Finance Policy also apply to the Voluntary Funds.

The General Fund is used to fund activities and projects as agreed by the Governing Body.

Other collections are earmarked for specific projects.

An independent auditor, Jackie Long (approved by the Governing Body), audit the fund accounts annually by the end of the autumn term.

The accounts are submitted annually and a report is presented to the Governing Body at the spring term RSB meeting.

Any suspected irregularities are reported to the LA auditor immediately.

The school is insured under the LA scheme.

The Governing Body reviews the above procedures annually in the Autumn Term.

21. Personnel, Salaries and Wages

The school uses the London Borough of Havering Payroll Service.

All information regarding staffing is provided to the service to ensure the correct processing of individual pay. The School Business Manager ensures that school's staffing data software is updated promptly for all contract changes.

The School Business Manager reconciles the payments made by the Payroll Service to the payment records of individual members of staff on a monthly basis.

Authorisation of additional payments outside normal contractual payments are made in accordance to delegated powers.

Payment of mileage allowances are made through payroll but other expenses incurred such as travel expenses are reimbursed either through BACS or by cheque. All claims should be submitted to the finance office within three months of the expenses being incurred. Claims received after three months are not processed.

22. Insurance

Insurance cover is provided through the LA.

The Headteacher ensures that insurance cover is commensurate with the risks associated with the school.

In the spring term of each year, the Resources, Site & Building Committee considers whether there are any additional risks (not covered by the LA) that should be insured.

The Headteacher is responsible for:

- Notifying the insurers/LA of any new risks (new property, equipment).
- Ensuring that the indemnity is not given to any third party without the written consent of the insurers.
- Informing the insurers immediately of all relevant matters (losses or other incidents).

- Ensuring that cover includes school property (such as musical instruments and computers) when off the premises.
- Maintaining a check to ensure that claims are processed within the required period.
- Ensuring that the police are informed of all claims where this is a requirement of the insurance.

23. Conduct, Bribery and Corruption

All staff, governors, pupils and parents/carers are encouraged to report any acts they consider to be improper and or illegal.

The school has a “Whistleblowing” policy that has been approved by governors which sets out the process for reporting such acts or actions.

The school also has in place a “Hospitality and Gifts Register” which requires the recording of all hospitality and gifts received by members of staff that exceed £50 from an individual, or £100 from a group of parents/pupils. The Headteacher records in the register his/her decision on whether or not the gift can be accepted.

24. Year End Accounting

The school will comply with the guidance and instruction provided from the Local Authority on closure of accounts.

The Headteacher will ensure that all financial transactions for expenditure and income are posted to the correct financial year and within the ‘accrual and pre-payment’ de-minimus value of £1,000.

The Headteacher will report to the Governing Body on the year-end position including proposed use of any balances carry forward and the recovery of any deficits.

25. Review Process

The Resources, Site & Building Committee reviews the contents of this finance policy and procedures document annually, usually in the autumn term.

The review considers any changes to associated publications such as the Financial Regulations for Schools issued by the LA and ensures the policy complies with any such changes.

The review considers changes to the structure and members of the Governing Body and the School Staff.

Any changes in responsibilities are also recorded and updated in the policy or related procedures. This includes responsibilities that may change as a result of a move to BACS, electronic income collection and the use of charge cards.

Where elements of policy no longer apply, these are removed from the documentation.

The Resources, Site & Building Committee then recommends the adaptation of the revised policy to the full Governing Body.

Annexes

<p>Annex 2 Terms of Reference for Resources, Site and Building Committee</p>
<p>Purpose</p> <ul style="list-style-type: none"> • To hold the Headteacher to account for the performance management of staff • To oversee the financial performance of the school and make sure its money is well spent • To approve first formal budget plan each financial year
<p>Membership</p> <ul style="list-style-type: none"> • Seven governors – one member of this committee must have safer recruitment training. • A chair and vice-chair will be elected and a clerk will be appointed at the autumn term meeting. • Pay Committee is part of the RSB committee.
<p>Quorum</p> <ul style="list-style-type: none"> • Three non-staff governors • Five governors for agreeing the school budget, to include chair or vice chair of the full governing body
<p>Meetings</p> <ul style="list-style-type: none"> • The committee will meet at least three times a year, once each term • Pay committee to meet to consider/approve performance management decisions following performance management reviews for teachers and support staff • Minutes of the committee’s meetings will be shared with the governing body through Governor Hub and made available to the public • Minutes should be circulated in draft form within one week of the meeting; any amendments are to be submitted within the subsequent seven days • Minutes will be approved and signed by the chair of the committee as a true record at the next committee meeting. • For meetings where the chair is unavailable a vice-chair will be selected
<p>Policies and compliance</p> <p>The committee will review and ratify:</p> <ul style="list-style-type: none"> • Capability of Staff (Chair of RSB only) • Charging and remissions policy • Complaints policy and procedures • Finance policy including the Scheme of Delegation, recommending any required changes to the full Governing Body • Health and Safety policy and procedures • Teacher Appraisal

<ul style="list-style-type: none"> • Teachers' Pay • Pay policy including staffing structure • Schools Financial Value Standard – completed annually • Statement of Internal Controls • Pupil Premium funding - spend • PE and Sports Premium funding – spend • Determining dismissal payments/early retirement • Headteacher performance management – appoint committee to undertake this • Approve and set up a governors' expenses scheme • Appeal against LA directions to admit pupil(s) • Buildings insurance and personal liability 	
<p>Monitoring</p> <p>The committee will be responsible for monitoring:</p> <ul style="list-style-type: none"> • impact of pupil numbers on budget and staffing requirements • finance annual audit • private fund accounts and receiving audit report • health and safety audit • asset management plan • buildings insurance and public liability • staff wellbeing 	
Approved by the governing board	
Adopted by the Resources, Site and Building committee	
Next review date	

Annex 3 – Scheme of Delegation

The Governing Body delegates its responsibilities to the staff to manage the day to day operation of the school.

The Scheme of Delegation covers the following areas:

- Bank / Cheques / BACS Payments
- Charge Cards (credit card)
- Petty Cash
- Expenditure Limits – Ordering
- Receiving Goods and Services
- Expenditure Limits – Authorising payment
- Lease Agreements
- Virements and Budget adjustments
- Write off of Bad Debts
- Inventory Disposal
- Staff Expenses

Annex 3a summaries all areas for which authorisation is required and levels delegated authority for the relevant staff and governors.

Bank/ Cheque Signatories / BACS Authorisers

Annex 3a details the persons authorised to make payments using all the school bank accounts including Voluntary and Private Fund Accounts.

BACS Payments

Payment is submitted by SBM. HT initials payments to be made. Two signatories will check and sign the BACS report and then using online passwords and PINS authorise the BACS payment. The most senior signatory should be the final authoriser.

Cheque Payments:

All cheques are signed by two signatories.

The following conditions are also followed:

- It is common practice for the more senior signatory to sign the cheque last.
- Generally, the Headteacher or in their absence the Deputy Headteacher will always be the second signatory.

Payment Authorisation

Any payment in excess of £50,000 is recorded at the meetings of the Full Governing Body.

Direct Debits

The use of direct debits is restricted to payments to the London Borough of Havering, lease payments and to companies authorised by the LA's School Finance Team.

Either the Chair of Governors or the Chair of the Resources, Site & Building Committee approves the set-up of direct debits.

The School Business Manager presents a list of all current direct debits to the Resources, Site & Building Committee each term.

Standing Orders

The use of Standing Orders follows the same rules as Direct Debits. However, it is current policy not to make payment by standing orders.

Charge Cards

Permission has been obtained from the Resources, Site & Building Committee and the LA's School Finance Team before applying to the school's bank for a charge card. The school follows the procedures laid out in the Charge Cards and Credit Cards in Schools procedures and user guide. Permission is sought from the budget holder before expenditure is incurred on the card.

Petty Cash

Following changes to procedure by Lloyds bank, the school no longer holds a petty cash float.

Any authorised expenses are made by BACS.

The Headteacher/ Deputy Head / School Business Manager approves all staff payments.

If the payment is for the Headteacher, either the Chair of Governors or the Chair of the Resources, Site & Building Committee approves the payment. The Headteacher, Chair of Governors or Chair of Resources, Sites & Buildings Committee will approve the payment if it is for the Deputy/Assistant Headteacher or Business Manager.

Expenditure Limits – Ordering of Goods and Services

Annex 3a below shows the staff able to order goods and services.

Staff, other than the Headteacher, can only order goods and services for their own departments.

All goods and service orders must be raised on the school's finance software prior to dispatch to supplier. Where an online or telephone order is placed, the finance software is updated on the same day.

Only the Headteacher and Deputy Headteacher can order the employment of temporary or supply staff.

Expenditure Limits – Receipt Of Goods and Services

All goods delivered to the school are checked on receipt. The Site Manager/admin assistant check for damage and quantity before signing for the goods and sending the relevant paperwork to the School Business Manager for processing.

It is the responsibility of the person who ordered the goods to confirm this check and report any discrepancies to the Finance Office immediately. Any goods received that do not quote the schools official order number must be reported to the Headteacher and School Business Manager. The School Business Manager reports these instances to the Resources, Site & Building Committee.

In terms of Services of Supply and Temporary staff, the timesheet is authorised by the Deputy Headteacher for teaching staff or School Business Manager for other staff to confirm the hours and timesheets are then passed to the School Business Manager for processing.

Expenditure Limits - Approval of Invoices

Approval of Invoices is subject to the limits set in Annex 3a below.

No one person can order goods / services and authorise the related invoice.

No one person can order goods / services and sign the cheque for the payment of that order.

The payment of the invoices is in accordance with the bank mandate signatory limits.

Expenditure Limits – Tendering Process

All purchasing arising from a tender process should be made in accordance with the Scheme of Delegation within this Finance Policy. See Annex 7 for tendering limits.

Budget Virements and Adjustments

A virement is deemed as any transfer of budget allocation where the budget will be used for a different purpose. This is effectively a change to the budget allocations that were agreed by the Governing Body at the start of the financial year and therefore alters the budget available under any particular heading. The Governing Body has set a limit to the level of virement that can be agreed by the Headteacher and/or the Resources, Site & Buildings Committee as below.

Headteacher: £10,000

All other virements should be approved in advance by the Resources, Site & Building Committee.

All virements and budget adjustments should be reported to the Governing Body showing how the overall budget has moved. A written record of the agreed virements must be kept e.g. minutes of the governing body/ Resources, Site & Building Committee meeting and the school's financial accounts should be updated promptly.

Lease Agreements

Any equipment to be acquired under a leasing arrangement must have prior approval by the Resources, Site & Building Committee as well as the Education School Business Manager at the LA.

The school does not enter into any Financing Leases.

System Processing

It is the aim of the school to ensure that staff that process financial transactions are not involved in the approval process.

Bad Debts

The Headteacher can approve write off of Bad Debts up to the value of £100.

The Resources, Site & Building Committee can approve write-offs of up to £500.

The Governing Body approves write off above this value with consultation with the Education School Business Manager of the LA.

Approval of Staff Expenses

Approval to be obtained from the Headteacher.

The Chair of Governors approves the expenses of the Headteacher.

Annex 3a – Scheme of Delegation

Action	Responsibility	Financial Limit
Authorising orders	Deputy Headteacher Assistant Headteacher Headteacher Resources, Site & Buildings Committee Full Governors	Up to £10,000* Up to £10,000* Up to £10,000* Up to £50,000 Over £50,000 with exception of LBH SLA invoices
Input of E-Orders	School Business Manager	Up to £10,000*
Authorising E-Orders	Deputy Headteacher/ Headteacher	Up to £10,000*
Receiving goods	Site Manager Admin assistants	Checks quantity/damage Report any discrepancies
Authorising Invoices	Deputy Headteacher Assistant Headteacher Headteacher Resources Committee Full Governors	Up to £10,000* Up to £10,000* Up to £10,000* Up to £50,000 Over £50,000
Signing cheques (delegated budget)	Deputy Headteacher Assistant Headteacher Headteacher (School Business Manager only in event of absence of 2 nd signatory)	Up to limits of approved orders/invoices as above following GB approval. Over £7,000 report to RSB committee. Prior approval to place order would have already been received
Signing cheques (central fund)	Deputy Headteacher Assistant Headteacher Headteacher (School Business Manager only in event of absence of 2 nd signatory)	Up to limits of approved orders/invoices as above following GB approval. Over £7,000 report to RSB committee. Prior approval to place order would have already been received
BACS payments (Delegated Budget)	Deputy Headteacher Assistant Headteacher Headteacher Mrs L Smith (RSB Governor)	Up to limits of approved orders/invoices as above following GB approval. Over £7,000 report to RSB committee. Prior approval to place order would have already been received.

Action	Responsibility	Financial Limit
Authorising new appointments	Headteacher Deputy Headteacher	Both signatures required
Authorising leaver forms	Headteacher	N/A
Authorising time sheets	Headteacher Deputy Headteacher	Agency supply/temporary staff Site staff – lettings/overtime Staff overtime TA's overtime
Authorising of Mileage Claims	Headteacher Chair of Governors	All staff Headteacher
Authorisation of staff expenses: Teaching Staff	Headteacher Deputy Headteacher Business Manager	Up to £50 Up to £50
Associate Staff: Payments to Headteacher	Chair of Governors/Chair of RSB committee	Up to £50
Payments to Chair of Governors/DHT/SBM	Headteacher	Up to £50
Authorisation of system users	School Business Manager	N/A
Back up of data	ICT Manager LBH Educational Computer Centre / ICT Technician	N/A
Maintenance of Inventory	School Business Manager/Site manager	FMS Inventory ICT register
Disposal of Equipment	Headteacher Chair of Governors	Up to £500 Up to £1000
Authorisation of Bad Debt write offs	Headteacher RSB Committee Full Governing Body	Up to £ 500 £ 500 - £ 2000 £2000 +

Exceptions being SLA charges from LBH and lease hire costs for ICT/Reprographic equipment.

Action	Responsibility	Financial Limit
Approving budget virements	Headteacher RSB committee Full Governing Body	Up to £10,000 £10,000 – £30,000 £30,000 +
Completion of bank reconciliation	School Business Manager	N/A
Authorisation of bank reconciliation	School Business Manager	N/A
BACS payments Audit check	School Business Manager Checked by admin staff	N/A
Authorisation of petty cash	School Business Manager Headteacher Chair of Governors Headteacher	Up to £50 Up to £100 All payments to Headteacher Up to £100 All payments to DHT/BM Up to £100
Lettings/Invoice authorisation	School Business Manager	N/A
Authorisation of Issue of new purchase cards	Chair of RSB	N/A
Corporate card holders/type of expenditure (delegated budget)	School Business Manager Headteacher	£1500 single transaction limit (general supplies) £1500 single transaction limit (general supplies)
Corporate card holders/type of expenditure (central fund)	School Business Manager Headteacher	£1500 single transaction limit (general supplies) £1500 single transaction limit (general supplies)

Journal Processing of Corporate Charge Cards (Central/Delegated A/C's)	School Business Manager	
Reconciliation of Corporate Charge Cards (Central/Delegated A/C's)	Headteacher Deputy Headteacher Assistant Headteacher	
B&Q Trade Card	Site Manager	£1000
Reconciliation	School Business Manager	
Authorised	Headteacher	

Annex 4 – Declaration of Business Interests and Relationships

Name of Governor or Member of Staff

Date of Entry	Name of Business	Nature of Business	Nature of Interest / Relationship	Date of Appointment or Acquisition

Relationship with (name)	Nature of relationship

I certify that I have declared all beneficial interests which I or any person closely connected with me have with businesses or other organisations which may have dealings with the school.

Signed..... Date.....

Annex 5 – Budget Virements Monitoring and Authority Schedule

The school maintains a record of all budget virements/adjustments.

These are recorded in one of two ways:

- Virements made between budget lines of income / expenditure
- Virements made between cost centres
- Virements made following a change in funding

A hard copy of the schedule is signed by the authorising manager and held with any supporting documentation in the Budget Adjustment Folder in the Finance Office.

Annex 6 – Rights to SIMS FMS Finance Software

Access rights are divided into categories that follow the tasks performed on the system. These categories are:

- Supervisor
- Supervisor Defined
- Enter and Authorise
- Authorise Only
- Enter Only
- Read Only
- No Access
(Used for people no longer allowed access to the system e.g. past employees)

The level of access to the finance software is based on the tasks each of them needs to perform.

The school aims to segregate system duties so as to prevent a single person performing entries and authorising and initiating payments. However, there are some occasions where this is not possible.

The Table below shows the access rights of all members of staff that use SIMS FMS (Finance).

The LA LMS team controls the System Manager Access.

Level of Access	Name	Position
Supervisor	Natalie Sansom Nicole Gunthorpe	Headteacher Deputy Headteacher
Supervisor Defined	Chevon Ancora	
Enter and Authorise	Chevon Ancora	School Business Manager
Authorise Only	Natalie Sansom	Headteacher
Enter Only	Suzanne Dyer	Finance administrator
Read Only		

It may be necessary from time to time to give access to a member of staff for a limited period. e.g. prepare suppliers details for BACS. Access is removed as soon as task is completed.

Annex 7 Contracts and Tendering

London Borough of Havering Corporate Procurement Framework

The table below is an extract of the Council's Procurement Framework which will be updated periodically.

The Framework highlights the need for schools to conform to the Council's, National and European Procurement legislation as well as the application of best practice.

Schools should adapt the approval levels in accordance with their scheme of delegation. Guidance is shown within the table

Financial Thresholds Summary – Latest financial thresholds

Value	Procedure	Decision By
Less than £4999	One quote (record in writing)	Headteacher or staff member with appropriate authority
£5,000 - £24,999	Two quotes (record in writing)	Headteacher or staff member with appropriate authority
£25,000 - £99,999	Three written quotes	Two post holders with appropriate authority, one being at least the Headteacher. This is undertaken at committee level.
£100,000 - £189,330	Mini Tender - 1-Stage competitive tender without prior advert against written specification of requirements 3 Tenders	Headteacher & Chair of Governors at full Governing Body meeting
Above £189,330 and EU rules apply	Full EU advertised competitive tender process 3 Tenders	A Project team reporting to the Chair of Governors at Full Governing Body and including appropriate specialists e.g. legal finance, procurement, health & safety
Above £189,330 and EU rules do not apply	Full advertised 2-stage competitive process 3 Tenders	A Project team reporting to the Chair of Governors at Full Governing Body and including appropriate specialists e.g. legal, finance, procurement, health & safety

1. Values exclude VAT.
2. Values are TOTAL values (NOT annual values e.g. 2 years at £10,000 per annum is £20,000, which requires 2 written quotations).
3. Contracts over £100,000 must be executed under seal.
4. Requirements are **minimum** requirements. E.g. to obtain three written quotes, you may need to seek 5 or 6. In appropriate cases to demonstrate value for money you may consider following the procedure for a higher value contract.
5. Values are to be aggregated e.g. if you have a recurring need on an annual basis for supplies.
6. It is a breach of Contract Procedure Rules to deliberately divide up contracts to avoid these rules.
7. Make a reasonably accurate estimate of the total purchasing requirement/whole life costing/financial implications, e.g. including on-going maintenance and support costs. If variable factors are such that an accurate estimate cannot be made then further information should be acquired before starting the procurement process.
8. The valuation should include the value of possible contract extensions and possible additional options.
9. You must have adequate budget provision.

Articles 4(a) to 4(d) of the Public Contracts Directive set out the sum(s) of the thresholds.

These thresholds, applying from 1st January 2016 to 31st December 2017 are given below.

Thresholds are net of VAT.

SUPPLIES - Supply and service contracts/design contests	SERVICES - Supply and service contracts/design contests	WORKS - Works contracts, subsidised works contracts and works concession contracts
€209,000 (£164,176)	€209,000 (£164,176)	€5,225,000 (£4,104,394)

Annex 8 – Branfil Lettings Policy

This content has been removed - please see separate Lettings policy

Branfil Primary School

Policy and Procedures - Inventory Control

1.0 Purpose of an Inventory

- 1.1 An inventory must be maintained to ensure that the school has a detailed record of all the equipment of which it has custody.
- 1.2 The reason for maintaining such a register is to correctly record all items of value held. Also, in the case of fire or theft, there would be a record showing exactly what has been lost together with its cost, identifying serial numbers etc. This would assist in either an insurance claim and/or a police investigation.

2.0 Responsibility for keeping inventories.

- 2.1 The Governing Body maintains the responsibility for this Inventory Control Process. Day to day management is delegated to the Headteacher and the School Business Manager. The responsible officer is to ensure the policy and procedures are followed and will report to the Governing Body or its Resources, Site & Building Committee on a regular basis as detailed within this policy. The Governing Body must approve any further delegation of the duties covered in this policy.
- 2.2 Responsibilities within our school are shown under each part of the control process detailed in the following sections.
- 2.3 When, a responsible officer leaves the school, the responsibilities will automatically transfer to the new post holder. Where there is a gap in recruitment, the Headteacher will nominate a temporary responsible officer. If the person is not being replaced, the Headteacher will ensure that the responsibilities are transferred to another member of staff without delay.

3.0 Process – Purchase of Inventory

- 3.1 All purchases of inventory packages must follow the procurement process and rules as documented in the School's Finance Policy and be consistent with purchasing guidelines in the London Borough of Havering Financial Regulations for Schools.
- 3.2 Additional approvals if required must be sought in writing before purchase of such items.
- 3.3 Where purchase of upgraded equipment or replacement items make existing assets redundant or obsolete, disposing of the asset follows the guidelines set out in Section 8.
- 3.4 The School Business Manager holds the responsibility of ensuring the correct process is followed.
- 3.5 The School Business Manager will ensure that all schedules are kept up to date.

4.0 Items to be recorded

- 4.1 Generally, items of equipment, tools and furniture with a value over £250 are recorded on the Inventory Register. However, the register contains items below this value that are considered “desirable” and may be open for theft or damage.
- 4.2 Furniture included in the register has an individual value in excess of £250.
- 4.3 Detailed recording of tables, desks and chairs are not kept however, a separate record is maintained for the average number of tables, desks, chairs that are in each room for the purposes of insurance.
- 4.4 The table below shows the items recorded on the School’s Inventory Register. The list is regularly amended to include any items purchased and inclusion on the inventory register is deemed necessary.

Office	Premises	Classroom	Other
ICT Equipment	Floor Polishers	Audio Visual Equipment	Laptops
Photocopiers	Mowers	Overhead projector	TV screens
		Interactive White Boards	
		ICT Equipment	
		Ipads & Chrome books	

- 4.5 The responsibility of determining which items should be recorded on the Inventory Register lies with the School Business Manager and the Headteacher.

5.0 Details to be recorded

- 5.1 The inventory may be held as a computer record or manual document. If a manual document is held all entries must be in ink. In either case the record should be retained in an appropriate place with one copy off-site or retrieval by computer from another site.
- 5.2 The attached inventory register holds detail of the descriptions, locations, cost and condition of assets held by the school. Details of disposal if applicable are also recorded. This is summarised as follows:

Details	Costs	Disposal Detail	Inventory Checks
Equipment No	Supplier	Date of Disposal	Date of Check
Description	Unit Cost	Method of Disposal	Condition of Asset
Serial Number	Quantity	Reason for Disposal	Location of Asset
Model	Invoice No	Authority Given	
Category	Invoice Date		
Holder	Gross Value		

Location	VAT		
Security Marking	Net Value		
Support Contract			
Insurance Policy Detail			

- 5.3 The information entered into the description box is as comprehensive as possible.
- 5.4 Where available a unique identifier or serial number is recorded in the relevant box.
- 5.5 When a new item is purchased all details of description, identification and purchase are recorded in the appropriate boxes in the Additions section.
- 5.6 A photographic record is kept of all unusual and high value items.
- 5.7 When items are disposed, lost, stolen, these details are recorded in the Disposals section (See Section 8 – Disposal and Write Off).
- 5.8 At least termly, the “Current” register is updated to include all additions as recorded in the Additions section and all disposals are removed from the current list to the disposals listing.
- 5.9 When Inventory checks are carried out, details on the condition of assets are also recorded. (See Section 6 – Inventory checks).
- 5.10 The responsibility of adding all new purchases on the register rests with the School Business Manager.

6.0 Inventory Checks

- 6.1 At least annually, and usually in the month of **January**, a physical check on inventory is conducted.
- 6.2 All items recorded in the register are checked for location and condition.
- 6.3 The check is also used to identify items that may have been missed off the original register.
- 6.4 Where the condition of assets has deteriorated, it is noted for repair, disposal and/or replacement.
- 6.5 Where assets are no longer used and are considered to be obsolete, this is reported to management and decisions made for disposal.
- 6.6 The School Business Manager controls the process of inventory checks. The current inventory list is sub-divided and given to staff responsible for conducting as the checklist of inventory items.
- 6.7 Year Group Leaders conduct checks for classroom inventory.

- 6.8 The Premises Manager conducts the checks for the general inventory.
- 6.9 The School Business Manager conducts the checks for all office equipment.
- 6.10 The ICT Manager conducts the checks for all computer equipment.
- 6.11 The individual that conducts the check signs inventory check schedules; these are attached to the signed Declaration of Inventory Check.
- 6.12 The School Business Manager is responsible for consolidating the various inventory checks.
- 6.13 The School Business Manager will prepare a report on the findings of the inventory checks that is presented to the Resources, Site & Building Committee / Governing Body.
- 6.14 The Resources, Site & Building Committee / Governing Body will use the information to make decisions on disposals, replacements, security of assets.

7.0 Security of Assets

- 7.1 All valuable equipment (attractive to thieves or easy to remove) is security marked with the name of the school and postcode, wherever possible in a highly visible manner to deter theft. However, care is taken not to reduce any resale value of the assets. Sticky labels are not sufficient as these can be removed.
- 7.2 All easily removable items, e.g. laptops and audio-visual equipment, are locked away securely when not in use.
- 7.3 The School Business Manager maintains a log of all equipment loaned out to staff, especially if the equipment is to be taken off site. (See the Equipment on Loan Log attached).
- 7.4 Staff with school equipment on loan must ensure the security and safekeeping of the equipment whilst in their possession and as such accept the responsibility at the time of the loan.
- 7.5 Any equipment loaned out for personal use is not covered by the school's Insurance policy and as such will not be loaned unless adequate insurance cover is provided.
- 7.6 Any leased equipment is not marked without first referring to the leasing contract/company.
- 7.7 The Premises Manager is responsible for ensuring all premises related equipment is security marked.
- 7.8 The School Business Manager is responsible for ensuring office related assets are security marked and stored securely.
- 7.9 All classroom equipment is security marked by the Premises Manager on receipt of goods.

7.10 All teachers and staff are responsible for ensuring equipment used by them is correctly and securely stored when not in use.

8.0 Disposal Policy

8.1 Assets are disposed of only if they no longer have any use to the school. Inventory items are not generally used to generate a profit by sale. However, sale of redundant assets may be carried out.

8.2 The table below shows the reasons for disposal and the methods of disposal used by the school:

Reasons for Disposal	Method of Disposal
Obsolete – No longer used	Donated / Offered for sale
Damaged Beyond Repair	Destroyed
Upgraded Equipment Purchased	Offered for Sale
Faulty and Uneconomical to repair	Donated / Destroyed
Stolen	Theft
Fire Damage	Scrap
Missing (Presumed Lost/Stolen)	Lost / Missing

8.3 When items are identified for disposal, authority to dispose is sought from the Resources, Site & Building Committee which has the appropriate delegation. The Authority to Dispose / Write Off Inventory Form is used (see attached).

8.4 The authorising manager has a higher delegated power than the person who has decided to dispose of an asset.

8.5 The authorising manager checks that the asset is disposed of in the most appropriate method.

8.6 In the case of disposal of computer equipment that may contain confidential and / or sensitive school information, disposal involves the security deletion of data from the memory. This is done prior to disposal by sale or donation. Ideally, such assets are destroyed. The School complies with the Waste, Electrical, Electronic and Equipment (WEEE) directive and seeks to achieve best value i.e. the best price is obtained if sold. WEEE certificates are then be kept by the school.

8.7 Items sold are be supported by a sales VAT invoice wherever possible.

8.8 When items are either sold or donated to staff members, the full Governing Body is consulted prior to the transaction.

8.9 When items of inventory are disposed of, the item is removed from the current list and recorded on the disposals list.

8.10 The School Business Manager controls the process of disposal and reports all disposals to the Resources, Site & Building Committee / Governing Body.

9.0 Inspection

9.1 The inventory must be made available for inspection as required by the Internal / External Audit Service or by any other employee authorised to do so by the Borough's Section 151 Officer.

10.0 Reporting

10.1 The School Business Manager reports at least annually to the governing board. This report is prepared by the School Business Manager after the January inventory check. The report is structured to include the following:

- Missing Inventory
- Condition of Assets and damaged items
- Security of Assets
- Items considered obsolete
- Items for disposal
- Assessment of when items will need replacing
- Items stolen

10.2 The Headteacher reviews the report before it is presented to the Governing Body and signs the Annual Inventory Check Process Declaration.

10.3 The Governing Body will use the report to plan future Inventory Control.

10.4 If assets are damaged, involved in accidents, lost or stolen and are essential for the running of the school, the Headteacher will contact the Chair of Governors to agree what action is to be taken.

10.5 Decisions made in these situations are documented and countersigned by the staff making the decision and the Chair of Governors.

Branfil Primary School

Authority to Dispose / Write Off Inventory

Reference No.:	
-----------------------	--

Requester

Name	Position	Date	Signed
	SBM		

Asset Details

Equipment No	Description	Serial Number
Purchase Value		Location

Reason for Disposal

Obsolete	Damaged beyond Repair	Upgraded	Uneconomical to Repair
Theft	Fire Damage	Missing (Lost)	Other (Specify)

Replacement	Insurance
Is this item to be replaced (Y/N)	Is this covered by Insurance (Y/N)
Is Replacement budgeted (Y/N)	If yes, has a claim been lodged (Y.N)
If not Budget how is it being financed? Claim Reference	

Authority

Name	Position	Date	Signed

The Authoriser must have delegated powers in excess of the value of the asset being disposed.

The Authoriser must hold a more senior position to the requester.

Once authorised, the disposal must be recorded on the Inventory Register

Branfil Primary School

Declaration of Inventory Check

I certify that I have carried out a check and count of inventory as requested by

I have used the inventory list given to me and have reported all discrepancies as requested.

Name: _____

Signed: _____

Date: _____

Inventory Sheets are attached

Branfil Primary School

Annual Inventory Check Process

Management Declaration

I certify that the school's inventory has been checked by _____

All check lists are attached and I am satisfied that all discrepancies have been investigated.

A report has been presented to the Governing Body/ Resources, Site & Building Committee for formal approval.

Name: _____ (Headteacher)

Signed: _____

Date: _____

Certified By

Name: _____ (Governor)

Signed: _____

Date: _____

Branfil Primary School

Equipment on Loan Log

Please add authority for the loan to the register

Equipment Description	Equipment Number	Loaned to: Name	Loaned to: Signature	On / Off site	Date out	Approval Signature

In signing the above register the Terms and Conditions below are accepted

Staff using school equipment must ensure:

- The equipment is kept securely during use
- The equipment must not be used to perform or support any inappropriate activity that may bring the school and the LA's name into disrepute in line with the Acceptable User Policy.
-

Any damage is reported to the School Business Manager as soon as possible. If the damage is considered to be as a result of negligence, the member of staff may be required to compensate the school accordingly.