

THE FINANCE POLICY OF TOLL BAR PRIMARY SCHOOL

This finance policy has been drafted to:

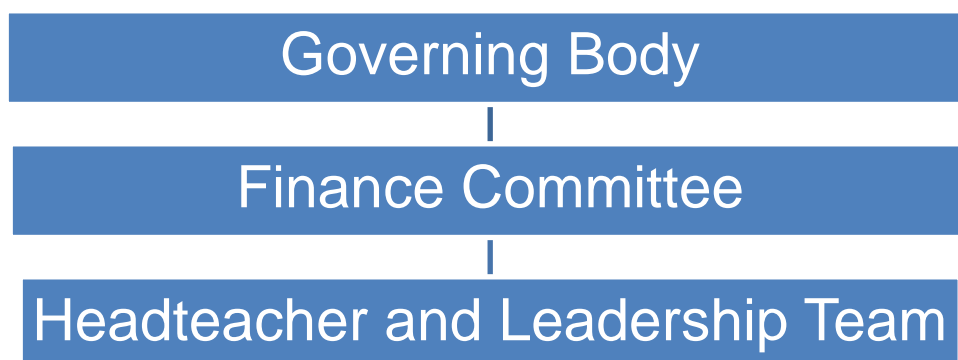
- a. Set out in writing the roles and responsibilities of the Governing Body, its committees, the Headteacher and other staff in relation to financial decision-making and administration. This allows the Governing Body to ensure adequate systems of financial control are in place and that it receives the information it needs to carry out the role. Defining the responsibilities ensures that all essential duties and all requisite controls are exercised without unnecessary duplication of effort.
- b. Set out the policies of the school in terms of the financial systems and procedures.

1. Governance

The Governing Body has a strategic role in the financial management in schools; alongside the Headteacher they have direct control over substantial amounts of funding delegated to them and make key decisions about the allocation of financial resources. The Governing Body will be responsible for determining the guiding principles and for ensuring the school meets all its statutory obligations and complies with the Schools Financial Regulations and the Fair Funding Scheme for Financing Schools.

The aim of the Governing Body is to ensure that all resources made available to the school are used in an efficient and effective manner. The requirements of the Schools Financial Value Standard (SFVS) will be met, and the principles of best value will be considered at all times.

1.1 Financial Organisational Structure



The following committee structure is in place at Toll Bar Primary School:

- Finance and Facilities Committee
- Human Resources Committee
- Teaching and Learning Committee
- Staff Discipline Committee
- Staff Discipline and Pay Appeals
- Welfare and Pupil Discipline Committee
- Partners Committee

The membership of the committees, meeting timetables and clerking arrangements are detailed in Appendix A.

The school will ensure that the responsibilities of the Governing Body, Finance Committee, Headteacher/Leadership Team and Administrative/Finance Officer are aligned with those agreed at the school's AGM; if they do not, amendments will be made and re-approval sought, if necessary.

1.2 Governing Body

Role:

The Schools Financial Regulations state that the Governing Body are to carry out their functions with the aim of taking a largely strategic role in the running of the school. This includes setting up a strategic framework for the school, setting its aims and objectives, reviewing progress and the strategic framework in light of progress.

Responsibilities:

- Ensuring the school meets all its statutory obligations and through the Headteacher complies with the Fair Funding Scheme for Financing Schools and Schools Financial Regulations.
- Setting the educational financial priorities through the School Development Plan (SDP), ensuring that the SDP provides sufficient financial information to construct the budget plans for the school.
- Ensure that a robust medium-term financial plan (3 year budget projection) and annual budget have been set, which reflects the educational priorities in the SDP.
- Set up a Finance Committee to consider strategic financial issues on behalf of the Governing Body, including defining the terms of reference, the extent of its delegated authority and ensuring it receives minutes of the committee meetings. Its remit and membership should be reviewed annually.
- Establish the financial limits of delegated authority to the Headteacher and/or other members of staff (including virements). The level of delegation of financial powers to the Headteacher must be reviewed annually and recorded in the minutes of the Governing Body.
- Agree with the Headteacher the minimum frequency, level of detail and general format of financial reporting to the Governing Body.
- Establish a register of business interests of Governors, the Headteacher and any other members of staff that influence financial decisions in accordance with the Schools Financial Regulations, and ensure it is maintained up to date.
- Adopt the whistleblowing policy detailed in the Schools Financial Regulations (2.23 to 2.24).
- To approve the school's annual budget.
- Having considered section 11.13 of the Fair Funding Scheme, agree a policy for Gifts & Hospitality and decide whether to delegate approval of gifts and hospitality to the Headteacher.
- To approve the school's Finance Policy each year.
- To prepare, approve and submit the school's SFVS return and subsequently monitor the progress of any improvements actions.

1.3 Finance Committee

Role:

To undertake finance functions as set out in the terms of reference approved by the Governing Body.

Responsibilities

- Draw up the budget for approval by the Governing Body, ensuring that the budget reflects the school's priorities educational objectives outlined in the School Development Plan (SDP), in consultation with the Headteacher.
- To establish and maintain an up to date medium-term financial plan (3 year budget projection), in consultation with the Headteacher, that reflects the SDP. This will include forecasting the likely future pupil rolls and income levels.
- To monitor budgeted income and expenditure, to ensure planned expenditure for the year does not exceed the available resources and report any significant variances to the Governing Body.
- Formally approve in-year budget revisions to the annual budget set.
- Consider the school's policy for balances in accordance with the SFVS, including regularly reviewing the level of the school balance and the spending plan for the balance.
- Explore different expenditure options and assess expenditure bids.
- Ensure that the school operates within the Schools Financial Regulations and Fair Funding Scheme for Financing Schools, and provide financial information as required to the Local Authority.
- Evaluate the effectiveness of financial decisions and refer specific problems to the Governing Body/relevant committee.
- To monitor expenditure of all the school's voluntary/private funds and ensure an annual audit is carried out in accordance with the section 16 of the Schools Financial Regulations.
- To approve the spending decisions where there is a balance on the school's voluntary/private funds.
- Review and respond to reports by Internal Audit on the effectiveness of the financial procedures and controls.
- To approve the ordering of all goods and services, and the payment of all accounts in excess of the degree of financial delegation given to the Headteacher.
- To annually review fee policy, including lettings charges, remissions and expenses policies.
- To ensure that the school obtains value for money when purchasing goods and services from all suppliers including the Local Authority and outside contractors. This includes considering and approving the Local Authority traded services buy back decisions.
- To make decisions on expenditure following recommendations from other committees.
- To ensure that the schools financial performance is compared at least annually to similar schools, reasons for differences examined and action taken where necessary (including local financial analysis pack and national benchmarking data).
- Consider the Statement of Internal Control and evidence supplied, for the nominated representative to sign.
- Evaluate the soundness and effectiveness of the schools financial management systems against SFVS.
- To ensure that accounts are properly finalised at year-end in accordance with the Schools Financial Regulations and other statutory legislation.

- To ensure that the financial procedures are documented and regularly reviewed.
- Consider and approve the authorised signatories.
- Ensure financial records are maintained and that they provide sufficient explanations.
- Consider all business plans for Extended Schools activities before taking a decision on each activity. Consideration to be given to section 18 of the Schools Financial Regulations.

1.4 Headteacher/Leadership Team

Role:

The Headteacher is responsible for the internal organisation, management and control of the school; and for advising and implementing the Governing Body's strategic framework. In particular the Headteacher will formulate aims and objectives, policies and targets for the Governing Body to consider adopting; and report to the Governing Body at least once every school year. Where functions have been delegated to the Headteacher the Governing Body is able to give reasonable directions in relation to that function.

Responsibilities:

- Leading and managing the creation of a strategic plan, underpinned by sound resource planning and which identifies priorities for targets for ensuring that pupils achieve high standards and make progress, increasing teachers' effectiveness and securing school improvement.
- To prepare the annual budget, based on realistic estimates of expenditure and income, sufficiently in advance of the financial year for consideration and approval by the Governing Body, including assumptions underpinning the budget.
- To submit the approved budget to the Local Authority no later than 1 May each year.
- To prepare regular reconciled monitoring reports, showing expenditure (including known commitments) and income against the approved budget. The report will include reasons for any significant variances; identify action to be taken/recommendations and progress on actions identified.
- To consider budget revisions required and present to the Finance Committee for approval.
- To submit any approved budget revisions to the Local Authority at least on a quarterly basis.
- To ensure that the financial information provided to the Governing Body and Finance Committee meets their requirements; they are timely, accurate, understandable etc.
- To report to the Governing Body/Finance Committee any policy changes where the budget will be significantly affected.
- Identifying, evaluating and managing all significant operational risks to the school in accordance with the Local Authority's risk management policy.
- Ensuring that the relevant Local Authority regulations or DfE requirements are implemented.
- Establishing sound internal financial controls, which are managed on a daily basis by the Headteacher and Finance Officer.
- Ensuring effective implementation of the financial systems and procedures described in the financial procedure manual (even in the absence of staff), and that they are followed.
- To ensure that arrangements are in place to monitor the effectiveness of internal/financial controls.
- Checking that the funds delegated are correct.

- To ensure that all expenditure from sources of earmarked funding is accounted for separately and that funding is used for its intended purpose.

1.5 Administrative Officer/Finance Officer

Responsibilities

- To assist the Headteacher to prepare the annual budget based on realistic estimates of expenditure and income, including assumptions underpinning the budget. Maintain appropriate working papers.
- To assist the Headteacher in preparing regular reconciled monitoring reports, showing expenditure (including known commitments) and income against the approved budget. The report will include reasons for any significant variances; identify action to be taken/recommendations and progress on actions identified.
- To provide monthly budget monitoring information to the Headteacher and cost centre budget holders.
- To ensure that there are sound internal financial controls for the reliability and accuracy of schools' financial transactions.
- To ensure that there are written descriptions of financial systems and procedures which are kept up to date; and all appropriate members of staff are trained in their use.
- To provide financial advice.
- To generate and monitor income for the school.
- To monitor expenditure charged to the school and correct any errors.
- To submit the required FMS reports or equivalent to the Local Authority on a quarterly basis: fund review report, CFR report (showing the balances) and fund allocation audit trail.

1.6 Delegated Limits

Item	Finance Committee	Headteacher
Procurement – Ordering and Payment of Goods and Services	Above £5,000	Less than £5,000
Virements between budget heads	Above £5,000	Less than £5,000

In the absence of the Headteacher the Deputy Headteacher is able to exercise the powers of the above delegation.

In an emergency the Chair of Governors is able to authorise the procurement and payment of goods and services above the delegated limit; this will then go to the Finance Committee for ratification.

1.7 Authorised Signatories

The following members of staff are authorised for the finance functions listed, this will be annually reviewed and approved by the Finance Committee:

Name	Job Title	Function	Finance Limit (if applicable)
J Northwood	Head	Authorising orders	Less than £5,000

S Bower Y Whaley	Deputy Head Assistant Head		
J Northwood S Bower Y Whaley	Head Deputy Head Assistant Head	Authorising payment of invoices/credit notes	
J Northwood S Bower A Newton	Head Deputy Head Office Manager	Cheque Signatory – School Fund Bank Account	
J Northwood S Bower Y Whaley	Head Deputy Head Assistant Head	Petty Cash Claims	Up to £50
J Northwood S Bower Y Whaley A Newton	Head Deputy Head Assistant Head Office Manager	Pay sheets overtime/extra hours	
J Northwood S Bower	Head Deputy Head	Travel/subsistence claims	
J Northwood A Newton	Head Office Manager	Insurance claims	
J Northwood S Bower	Head Deputy Head	Remissions claims (school visits)	
J Northwood S Bower	Head Deputy Head	ET12 form	

1.8 Procedures

All documentation for accounts and finances will be kept in accordance with the Schools Financial Regulations. A procedure manual has been prepared for all financial systems and is regularly reviewed in accordance with the Schools Financial Regulations. It is available to staff and stored in the school office.

1.9 Minutes

Minutes are taken at all Governing Body and Committee meetings, duly circulated and agreed. The minutes are accurate and include all the necessary information; clearly documenting issues discussed, items agreed and action to be taken.

Committee minutes are presented to the next Governing Body meeting, where they will be agreed as a true record and provide an update to the full Governing Body.

1.10 Register of Business Interests

A register is maintained to record Governors and staff (and their immediate family) business interests.

2 Financial Systems and Processes

2.1 Financial Planning

- 2.1.1 The school has a school development plan (SDP), which includes a statement of its educational goals to guide the planning process. The SDP covers the school's educational priorities and the budget plans for at least three years, showing how the use of resources is linked to the achievement of the school's goals.
- 2.1.2 A draft medium-term budget (budget projection) is prepared by the Headteacher and Leadership team for approval by the Finance Committee in the autumn term. The medium-term financial plan covers the current year and next three financial years. The plan reflects all the growth and development issues included in the School Development Plan and demonstrates that the School Development Plan is sustainable, in financial terms. It shows how the school intends to use its resources to achieve the aims and objectives in the School Development Plan. New initiatives are detailed and fully costed in the either the premises plan or ICT development plan; staffing initiatives are represented and agreed by the staffing committee.
- 2.1.3 The medium term budget links the annual budget and the School Development Plan. The detailed annual budget is based on the first year of the medium-term budget.
- 2.1.4 A draft budget is prepared by the Headteacher and Leadership team and presented to the Finance Committee in the spring term. The annual budget is based on building up budgets from a zero budget. The assumptions and calculations to produce the annual budget are clearly documented and retained in the relevant file. The budget is based on realistic estimates of all expected expenditure and income, including grant income and school fund contributions, so that planned expenditure does not exceed the available budget and takes account of all relevant conditions laid down by Section 3 in the Schools Financial Regulations.
- 2.1.5 The final budget is approved by the Governing Body in April. The Headteacher then forwards the budget, including assumptions underpinning the budget and estimated balances brought forward to the Chief Financial Officer, no later than 1 May, in the approved format. The Headteacher and Chair of Governors authorise the budget by submitting a signed form with the budget plan.
- 2.1.6 The budget is analysed over cost centres to ensure effective financial control.
- 2.1.7 A budget is regularly reviewed (including a thorough review in the autumn term) by the Headteacher and changes proposed presented to the Finance Committee. Any revisions to the budget are approved by the Finance Committee, entered onto the school's FMS system and submitted to the Local Authority at least on a quarterly basis.
- 2.1.8 To aid in-year budget monitoring the annual budget is profiled over the year, estimating the amount of income/expenditure that will fall in each month. The budget is monitored using the percentage-spent reports and therefore the budget is profiled into equal twelfths.
- 2.1.9 Expenditure is only incurred where there is budget allocated.

- 2.1.10 If the school is intending to set a deficit budget this will be agreed by the Local Authority and in accordance with the Schools Financial Regulations.
- 2.1.11 Any budget surpluses are earmarked for specific future needs to ensure that pupils benefit from the planned approach to spending that does not deprive them of resources in a given year.

2.2 Budget Monitoring

- 2.2.1 The budget is closely monitored, comparing actual income and expenditure to the budget on a regular basis throughout the financial year. Variances are reviewed to highlight any problems and identify if remedial action is required.
- 2.2.2 The Headteacher regularly reviews the schools expenditure and income against the budget, to ensure that financial performance is on target. The Finance Officer co-ordinates the day to day monitoring of the budget.
- 2.2.3 The Headteacher produces budget monitoring reports for the Finance Committee termly, showing income and expenditure against budget. In accordance with point 2.1.7 of the Finance Policy, the budget is updated and reflects the anticipated year-end balance. The report is reconciled to the school's financial records, which are fully reconciled to the Local Authority's financial records. The reports include all known commitments and creditors. The monitoring report identifies significant variances between the actual income/expenditure and budget. The reasons behind these variances are investigated and documented; corrective action is taken as appropriate and recorded.
- 2.2.4 Departmental budget holders are nominated by the Headteacher and Leadership team (members of staff nominated are shown in 1.9 departmental budget holders). The total curriculum budget is allocated to departmental budget holders on an agreed formula. There should not be any overspends of the budget. Carry forwards of any unspent balances are agreed with the Headteacher. A copy of this Finance Policy is provided to all departmental budget holders.
- 2.2.5 Departmental budget holders receive monthly reports detailing actual expenditure and commitments against budget for their area of responsibility. Individual budget holders review the budget position and take remedial action where necessary. The review results are communicated to the Headteacher, who assesses the adequacy of the review and takes remedial action where necessary.
- 2.2.7 The Headteacher is authorised to vire between budget headings amounts up to £5,000, without seeking approval from the Finance Committee (as detailed in 1.7 delegated limits). The Finance Committee, before implementation, approves any virements above this limit. The virements are input onto the Schools FMS system and submitted to the Local Authority in the approved format.

2.3 Best Value

- 2.3.1 The Governing Body has regard to the principles of best value when making decisions about how the available resources to the school are to be utilised.

2.4 Statement of Internal Control

- 2.4.1 After the close of each financial year a Statement of Internal Control is prepared covering the preceding 12 months. Once approved and signed, a copy of the statement is sent to the Local Authority, Head of Internal Audit Services.
- 2.4.2 In order to monitor the effectiveness of internal & financial controls, the Headteacher has implemented a self-assessment framework.
- 2.4.3 In the absence of an internal audit report, the results of self-assessments are the primary source of evidence used to support the conclusions contained in the Statement of Internal Control.
- 2.4.4 The Finance Committee prior to the approval and signing of the Statement of Internal Control considers the results of the self-assessments.
- 2.4.5 The Finance Committee monitors the implementation of improvement actions included in the Statement of Internal Control.

3 Purchasing

Suppliers/Contracts

- 3.1 The school ensures that suppliers are decided upon in line with guidance from the Local Authority's Corporate Procurement Team, Best Value principles and the Contract Procedure Rules in the Schools Financial Regulations.
- 3.2 The purchase of goods, services and works is undertaken in line with the Local Authority's Contract Procedure Rules and Financial Regulations as detailed in the section "Compliance with Standing orders" in the Schools Financial Regulations.
- 3.3 The school always considers price, quality and fitness for purpose when purchasing goods and services.
- 3.4 If required the school publishes a Procurement plan in accordance with the Schools Financial Regulations. (Sections 17.13-17.16).
- 3.5 Leasing arrangements are only entered into after seeking advice from the Local Authority's leasing advisory service.
- 3.6 For all forms of extended finance and any deferred or advance payment approval is firstly sought from the Chief Financial Officer.
- 3.7 The Headteacher ensures that there is adequate budgetary provision for charges arising from an extended finance agreement.

- 3.8 Any payment agreement or disposal of assets is in line with the Schools Financial Regulations.
- 3.9 The school follows the financial thresholds as detailed in the Schools Financial Regulations section “Procedures for Letting Contracts”.
- 3.10 The authorised officer procuring the goods/services ensures the following are obtained:

Procurement Level	Financial Threshold (£)	Procurement Requirement
Low Value Procurement	Up to £10,000	DMBC Corporate Contract or a minimum of two verbal quotes followed by written confirmation. In-house provider invited to quote.
	£10, 000 to £25,000	DMBC Corporate Contract or a minimum of two written quotes. In-house provider invited to quote.
Intermediate Value Procurement	£25,000 to £75,000	DMBC Corporate Contract or a minimum of three written quotes. In-house provider invited to quote.
High Value Procurement	Contracts between £75,000 and £173,934 for Goods and Services, or £4,348,350 for Works.	Formal Tender process unless an in-house provider, appropriate Corporate Contract or available framework exists.
EU Procurement	Current EU thresholds: Contracts over £173,934 for Goods and Services or £4,348,350 for Works.	Full EU Open or Restricted Tender or competitive dialogue process unless an in-house provider, appropriate Corporate Contract or available framework exists.

- 3.11 The authorising officer determines whether conditions detailed in section 17.22 of the Schools Financial Regulations would mean that the previous requirements do not apply to contracts below £75,000.
- 3.12 If it is not practical to meet the Contract Procedure Rules, the reasons for not doing so are reported to the Finance Committee and included in the minutes.
- 3.13 When a quotation other than the lowest is accepted, the reasons for the decision are reported to the Finance Committee and included in the minutes.

Purchase Orders

- 3.14 Official orders are issued for all goods and services except utilities, post office, telephone accounts, rent, council tax, business rates and petty cash purchases, or if the purchase is made using an officially authorised Purchasing Card. This includes telephoned and faxed orders as detailed in the Schools Financial Regulations, Section 8.1 – 8.9. Where a Purchasing Card is used, procedures detailed in the Purchasing Card Procedures Guide and the D-Cal Cardholder and Approver Guides are adhered to in order to ensure adequate levels of control and probity.

- 3.15 Official orders are uniquely identifiable.
- 3.16 The officer completing the order ensures that the order specifies the nature and quantity of the works, goods or services required and any relevant contract or agreed prices to facilitate accurate checking of deliveries, invoices and entering payment on the financial management system.
- 3.17 The authorised members of staff check that the goods ordered are appropriate and needed, and that there is adequate budget provision before signing the order.
- 3.18 An up to date record of the names of staff authorised to sign orders is maintained (1.8 Authorised Signatories). The Governing Body approves the list, and the names are recorded in the minutes.
- 3.19 Prior approval from the Governing Body is obtained for all expenditure above the limit determined; see 1.7 of this policy for the delegated limits.
- 3.20 There is always separation of responsibility between staff raising orders and staff responsible for authorising orders.
- 3.21 All orders are entered on the schools financial system by the Office Manager to ensure that commitments against budgets can be monitored
- 3.22 Orders are not used to purchase items for private and personal use.
- 3.23 Where contracts are required they are drawn up in line with the specifications in the Schools Financial Regulations, "Form of Contract", sections 17.49-17.56.

Delivery of goods

- 3.24 All goods and services are checked on receipt, against the copy order and goods received note for quantity and quality.
- 3.25 The checking officer is different from the officer who signed the order.
- 3.26 The copy order is signed to record receipt and the goods received note attached to the order.

Payment of Invoices

- 3.27 Invoices are matched to the appropriate copy order and delivery note by Mrs Vickers; this is checked for accuracy of quality, price, calculations and VAT.
- 3.28 An appropriately completed coding slip is attached and the copy order marked with the details of the invoice and date passed for payment.
- 3.29 The processing of invoices, completion of coding slip and batching is carried out in accordance with the Section 8 of the Schools Financial Regulations.

- 3.30 All invoices are authorised by the member(s) of staff approved by the Governing Body. The member(s) of staff are as listed in 1.8 of this policy.
- 3.31 The names of members of staff authorised to sign invoices are sent to the Accounts Payable Team together with specimen signatures.
- 3.32 There is segregation of duties between the raising of orders and the authorising of payments.
- 3.33 Invoices are submitted to the Accounts Payable Team as soon as possible to meet the payment target of 30 days.
- 3.34 The payment details are entered into the financial record against the order commitment by Mrs Vickers. This is not the same person that signed the order, or the same person that checked the receipt of goods and services.
- 3.35 School funded purchases are dealt with as detailed in the Schools Financial Regulations, Payment of Accounts Section 8.35.

Purchase Cards

- 3.36 The Governing Body/Finance Committee will approve the use of purchase cards by members of staff, for the purposes of the school. The guidelines detailed in section 10 of the Schools Financial Regulations will be considered.
- 3.37 A maximum value for individual transactions and monthly expenditure limits will be agreed for each card.
- 3.38 The purchase cards for Toll Bar Primary School cardholder details and the associated limits are detailed in the table below.

Name	Job Title	Individual Transaction Limit	Monthly Limit
Anne Newton	Office Manager	£1000	£3000
Jill Northwood	Headteacher	£500	£1000
Alan Draper	Caretaker	£500	£1000
Jeanette Milner	Admin Assistant	£500	£1000

- 3.39 Purchase cards will be used in accordance with 10.3 and 10.4 of the Schools Financial Regulations, and any misuse will be reported to the Governing Body, who will then take necessary action. Only the named cardholder will use a purchase card.
- 3.40 Orders relating to purchase cards are raised and authorised, transactions recorded on FMS and receipts/invoices retained for reference and checked to the card statements each month.
- 3.41 Duties will be appropriately segregated – transactions must not be reconciled and approved by the same individual. The designated person responsible for reconciling the card transactions is Mrs Vickers; the authoriser is Mrs Newton.

- 3.42 All purchase cards are stored in the safe. Loss of any card will be reported to the Corporate Procurement Team. Cards no longer in use will be destroyed in accordance with 10.12 of the Schools Financial Regulations.
- 3.43 The Headteacher will ensure no type of pay emolument or subsistence expense is made from a purchase card.
- 3.44 It is not permissible for a personal debit/credit card to be used to make school purchases. Staff will also refrain from using loyalty cards when making purchases for the school as there should be no personal benefit gained from such purchases.

4 V.A.T. requirements

- 4.1 The guidelines on the accounting of V.A.T., as detailed in section 11 of the Schools Financial Regulations, are followed for all income and expenditure.
- 4.2 V.A.T. is only reclaimed on tax invoices for supplies direct to the school for which the school retains ownership.
- 4.3 V.A.T. is only reclaimed where a properly constituted V.A.T. invoice is received, in accordance with Section 11.6 of the Schools Financial Regulations.
- 4.4 All finance and administrative staff are made aware of the requirements for V.A.T.
- 4.5 Where advance payments are required the procedure for V.A.T. is followed in accordance with Section 11.17 of the Schools Financial Regulations.

5 Petty Cash Account

- 5.1 Mrs Newton is responsible for the petty cash account; acceptance is evidenced by signature. Only authorised members of staff have access to petty cash.
- 5.2 Mrs Newton gives the Chief Financial Officer a signed certificate confirming the amount of the petty cash account.
- 5.3 Mrs Newton, who operates the account, does not authorise expenditure.
- 5.4 Payments from petty cash account are made for minor items and records kept as detailed in the Schools Financial regulations.
- 5.5 Personal cheques are not cashed from the petty cash.
- 5.6 VAT receipts support all payments and vouchers, are signed for by the recipient and counter signed by the authorised member of staff.
- 5.7 VAT invoices/receipts are requested where required to enable the Local Authority to reclaim the VAT.
- 5.8 The cash float is held in the safe and restricted to the authorised member of staff.
- 5.9 No payroll or expense claims are paid from the petty cash account.

- 5.10 The use of personal credit or debit cards by members of staff to make purchases is not permitted.
- 5.11 Personal loyalty cards are not be used under any circumstances. However, a loyalty card registered in the school's name can be used if agreed by the Governing Body/Finance Committee.
- 5.12 Alcohol will not be purchased under any circumstances.
- 5.13 Mrs Newton ensures that no income received on behalf of the school is paid into an petty cash account.
- 5.14 When a claim for reimbursement is submitted, details of expenditure, coding and VAT are entered onto the claim form.
- 5.15 The petty cash float is reconciled by Mrs Newton at the time of the claim. The total claim plus balance of cash in hand (plus any receipts paid but not on the claim) is checked to the petty cash float.
- 5.16 The completed claim form is authorised by a senior member of staff who is not the member of staff responsible for the petty cash account (see 1.8 for a list of Authorised signatories).
- 5.17 The Headteacher ensures that, whenever there is a change of responsible member of staff, the petty cash account is balanced and the cash holding agreed before being passed on to the new responsible member of staff whose acceptance is evidenced by their signatures.
- 5.18 Mrs Newton must ensure that all the conditions detailed in section 9 of the Schools Financial Regulations are adhered to when operating the petty cash account.

6 Schools Financial Value Standard (SFVS)

6.1 The Schools Financial Value Standard will be carried out annually by the Office Manager and one Governor and approved by the finance committee and the full governing body during the spring term, and submitted to the LA by 31st March.

7 Income

- 7.1 The Office Manager ensures that estimates for all income are included in the budget and that all income due to the school is collected.
- 7.2 The charging policy for goods and services supplied by the school is shown in Appendix C, which takes into account the guidance in section 5.4 of the Schools Financial Regulations and Annex D of the Fair Funding Scheme for Financing Schools.
- 7.3 All lettings are authorised by Mrs Northwood in accordance with the policy determined by the Governing Body, and recorded in a diary or register, which is stored in the office.
- 7.4 Lettings are only available via a formal hire agreement, signed by the hirer.

- 7.5 Wherever possible income is collected in advance of the letting.
- 7.6 The arrangements for the control and accounting of income are in accordance with the Income section (5.6) of the Schools Financial Regulations.
- 7.7 Mrs Newton identifies income due to the school; full details of all expected income are kept in the finance and facilities file located in the office. She is responsible for collecting and banking income.
- 7.8 Where invoices are required they are issued within 30 days and in accordance with V.A.T requirements.
- 7.9 For income received an official pre-numbered receipt is issued with a signature, other records are maintained for small amounts of income.
- 7.10 Receipts are securely stored, in the office, and spoiled cheques are cancelled and retained for complete records.
- 7.11 Cash and cheques are locked in the fireproof safe and do not exceed the agreed insurance limits.
- 7.12 All money received is reconciled to the accounting records and banked (or collected by a security company) weekly, in accordance with the Income section (5.10-5.18) of the Schools Financial regulations.
- 7.13 No personal cheques or postal orders are cashed out of money collected.
- 7.14 The debt recovery policy for the school is in accordance with writing off bad debts (5.19-5.23) in the Schools Financial regulations.

8 Insurance

- 8.1 Insurance cover is at least as good as the minimum cover arranged by the Local Authority and that the sums insured are commensurate with the risk.
- 8.2 The adequacy of insurances is reviewed every year to ensure that an appropriate level of cover is maintained.
- 8.3 All employees of the school are included in suitable fidelity guarantee insurance.
- 8.4 Mrs Newton notifies the insurers or the Local Authority of all new risks, property, equipment and vehicles that require insurance, or of any other alteration affecting insurance
- 8.5 Mrs Newton or Mrs Vickers immediately informs the insurers or the Local Authority of all accidents, losses and other incidents that may give rise to an insurance claim within twenty four hours of the occurrence.

9 School Assets - Inventory

- 9.1 Mrs Newton maintains an up to date inventory of furniture, fittings and equipment, plant and machinery, vehicles and computer hardware and software in accordance with Schools Financial Regulations Section 7. All new additions/purchases of, or collection of similar items valued at more than £200 and items of a lesser value that are attractive and portable are recorded in the inventory system FMS equipment register.
- 9.2 All attractive and portable assets e.g. computer and electrical equipment, are security marked by Miss Hickman to show as belonging to the school.
- 9.3 Mr Draper carries out an annual check of inventory items, every March. Any discrepancies between the asset register and actual items are investigated and a report presented to the Finance Committee.
- 9.4 A report will be prepared by the Headteacher and presented to the Governing Body annually on school assets in accordance with the Schools Financial Regulations (Section 7.4).
- 9.5 All items taken off premises are signed for and recorded in the filing cabinet in the office] and insurance requirements are complied with.
- 9.6 Leased inventory items are identified, and any proposal to dispose of leased items, or loss of leased items, are referred to the Chief Financial Officer.
- 9.7 Surplus or redundant items are disposed of in accordance with the Schools Financial Regulations (Sections 7.8 & 7.9)
- 9.8 Stocks of consumables will be kept securely with access limited to the member of staff responsible for issues, and it will be ensured that levels of stock are not in excess of normal requirements.
- 9.9 Miss Hickman should carry out a continuous form of stocktaking for all stocks considered to have a material value. An independent stock check should also be carried out annually with any significant differences reported to the Headteacher and the Governing Body.

10 Payroll

- 10.1 Appointments are made in accordance with the regulations of the Local Authority (Schools Financial Regulations Section 12), and approved establishments grades and scale of pay.
- 10.2 A valid National Insurance Number is received at the time of new employee's selection.
- 10.3 The Headteacher notifies the Assistant Director of Human Resources & Communications as soon as possible of all matters affecting payments. In particular those detailed in the Schools Financial Regulations, Payroll Section (12.2)
- 10.4 More than one person carries out checking and authorising documents and claims relating to appointments, terminations of employment and expenses.

- 10.5 Pay documents are completed and certified as detailed in the Schools Financial Regulations section 12.
- 10.6 Only authorised members of staff have access to personnel files.
- 10.7 The names of members of staff authorised to sign time records and other pay documents are sent to the Assistant Director of Human Resources & Communications together with specimen signatures. All changes to this list will also be notified.
- 10.8 All payments of travel and subsistence allowances are made through the payroll system and not through petty cash or imprest accounts.
- 10.9 Careful consideration is given to the employment status of individuals employed on a self-employed consultant or subcontract basis and advice is sought from the Assistant Director of Human Resources & Communications as necessary.
- 10.10 An up to date list of staff employed is maintained by Mrs Newton and is available from the school office.
- 10.11 Mrs Newton will inform the Assistant Director of Human Resources & Communications of the details of any employee benefits in-kind.
- 10.12 Checks are made on the monthly e5 reports to ensure that employees listed are actually employed by the school by Mrs Newton, including that old employees have been removed and that staff are being paid the correct rates and allowances.

11 Security

Assets

- 11.1 Proper security is maintained at all times for all buildings, stocks, stores, furniture, plant, vehicles, equipment, cash, etc. in accordance with the Schools Financial Regulations section 13.
- 11.2 Where security is thought to be defective or where it is considered that special security arrangements may be needed, the Director of Children & Young People's Services is consulted.
- 11.3 Keys to safes and similar receptacles are stored securely on the premises. The loss of such keys will be reported to the Chief Financial Officer.
- 11.4 The maximum limit for cash holdings will be agreed with the Chief Financial Officer and this limit will not be exceeded without the express agreement of the Chief Financial Officer.

Data Security

- 11.5 The Governing Body and the Headteacher are responsible for registering, with the Data Protection Registrar, the details of the personal information kept, the purposes to which it is applied and to whom it may be disclosed in respect of information stored manually or electronically, to which the Data Protection Act applies.

- 11.6 The Headteacher and Governing Body are responsible for making arrangements to ensure Toll Bar Primary School is compliant with the Local Authority's Information Security Policy.
- 11.7 Computer systems used for financial management are protected by password security to ensure that only authorised members of staff have access. Passwords are changed on a regular basis.
- 11.8 Passwords are cancelled or changed when a member of staff leaves.
- 11.9 Mrs Newton will ensure that data is backed up on a regular basis, and that back up devices are clearly labelled and kept in a fireproof safe, or securely offsite.
- 11.10 Back up devices are not kept near the server in case of fire.
- 11.11 Mrs Newton will establish a recovery plan to ensure continuity of financial administration in case of emergency.
- 11.12 To protect against viruses only authorised software is used and anti-virus software is up to date.
- 11.13 All software used is correctly licensed and all copyright laws observed.
- 11.14 Computer facilities are only used for authorised purposes.

12 School Voluntary & Private Funds

- 12.1 The systems and procedures are in accordance with the Fair Funding Scheme for Financing Schools 2.8 and Section 16 of the Schools Financial Regulations.
- 12.2 The Governing Body will agree a mission statement for the Funds and publish this on the school's website.
- 12.3 Regular reports on the balance and use of the Funds will be presented to the Finance Committee.
- 12.4 Mrs Milner is the Treasurer, who is independent to the person accounting for the schools delegated budget. The accounting procedures mirror those for the schools delegated budget.
- 12.5 The independent auditor of the operation of the funds is Mrs Vickers. Annual accounts and balance sheet are produced for the audit.
- 12.6 All Cheques are signed by two authorised cheque signatories (see 1.8 for list of authorised signatories).
- 12.7 Proper income and expenditure records are kept, which are clearly separated from delegated budget records, and no income due to the delegated budget is paid into the Fund.

- 12.8 Numbered receipts are issued for any donations or income entering voluntary funds to provide audit evidence and to reduce the possibility of theft and copies kept.
- 12.9 There is separation of duties between the collecting, recording and banking of School Funds. Duties are assigned as follows:
- Mrs Milner regularly banks income weekly
Mrs Newton maintains fund records
Mrs Newton reconciles the bank statements, monthly
- 12.10 The audited accounts and the auditor's certificate are presented to the Governing Body as soon as possible after the accounting year for the fund, and an audit certificate, signed by the Headteacher and the Auditor, are forwarded to the Local Authority within 5 months of the year-end.
- 12.11 There is adequate insurance cover for School Fund losses. The cover is arranged through DMBC.

13 Lost Property

- 13.1 All arrangements for the administration of lost property found on the school premises will be made by Mr Draper.
- 13.2 A lost property register will be maintained by Mrs Newton for all items irrespective of value. The register will contain all relevant information as per 14.2 of the Schools Financial Regulations.
- 13.3 Mr Draper is responsible for storing all lost property securely and ensuring items are cross-referenced to the lost property register.
- 13.4 Where the owner of an item is known, communication will continue until a time when the Headteacher deems the storage of the item to be impractical. Where the owner is not known, the item will be kept for at least one month (perhaps longer for valuable items) whilst attempts are made to ascertain the owner. Items returned to their owners will be signed for in the lost property register.
- 13.5 Sale or disposal of lost property items will take place in accordance with 14.7 and 14.8 of the Schools Financial Regulations and all actions taken will be recorded accurately in the lost property register.
- 13.6 Proceeds from the sale of any item not claimed should be paid into the official School Fund and utilised as agreed by the Governing Body.

Committee Membership Details

Governing Body

Position	Name
Chair	Mr J Robinson
Vice Chair	Mrs J Evans
Parent Governor	Mrs D Smith
Parent Governor	Mrs T Smyth
Parent Governor	Miss K Edwards
LA Appointed Governor	Mrs A Wilburn
Co-opted Governor	Mrs N Seager
Co-opted Governor	Mrs P Sutton
Co-opted Governor	Mrs C Walker
Headteacher	Mrs J Northwood
Staff	Mr A Draper
Co-opted Governor	Mr S Bower
Co-opted Governor	Miss Y Whaley
Associate	Mrs A Newton

Finance Committee

Position	Name
Chair	Mr J Robinson
Vice Chair	Mrs J Evans
Member	Mrs P Sutton
Member	Mrs C Walker
Member	Mr A Draper
Member	Miss Y Whaley
Member	Mrs A Wilburn
Associate	Mrs A Newton

Timetable of Governing Body and Finance Committee Meetings

Meeting	Timetable
Governing Body	Termly/Additional meetings when required
Finance Committee	Monthly

Clerking Arrangements

The Governing Body is clerked by the Local Authority Governors Support Service.

The Finance Committee is clerked by Mrs Newton who is able to provide independent advice to the members of the Finance Committee.

Frequency of financial information presented:

Financial Information	Governing Body	Finance Committee
Medium-term Budget; including assumptions used to calculate (forecast pupil numbers, expected income etc.)	Annually	Annually (reviewed when required)
Annual Budget Report; including assumptions underpinning the budget.	Annually	Annually (reviewed when required)
Budget Monitoring Report; showing expenditure (including commitments) and income compared to the approved budget; explanation of significant variances and actions to be taken.	Termly	At least termly
Benchmarking Information (Financial Analysis Pack); including a summary of the differences and action to be taken.		Annually
Traded Services Buy Back Information; including a review of the costs and quality.		Annually
Consistent Financial Report (CFR)		Annually
Charging (lettings etc.) and remissions policy		Annually
Statement of Internal Control		Annually
Financial Risk Assessment		Annually
Report on the School Assets		Annually
School Financial Value Standard (SFVS) action plan monitoring	At each meeting	At each meeting
School Financial Value Standard (SFVS) approval	Annually	Annually

Finance Committee Financial Management Timetable**Spring Term:**

- Consider and approve the annual budget and spending plan.
- Consider the charging (including lettings) and remissions policy for the next financial year
- Review the Local Authority traded services in terms of cost and quality; approve the buy-back form for submission to the Local Authority.
- Annual review and approval of staff signatures.
- Consider the procurement plan for goods above £10,000.
- Complete SFVS return, present report to full Governing Body, Chair of Governing Body to sign the return.

Summer Term

- Consider outturn statement (Consistent Financial Report) and evaluate last year's performance.
- Carry out a financial risk assessment; including identification of issues and actions to be taken.
- Annual review of the Statement of Internal Control and agreement given to the representative to sign (signature will be provided following receipt of the audit report).

- Report presented on the schools assets in accordance with the Schools Financial Regulations (Section 7.4).

Autumn Term

- Consider the financial analysis pack supplied by the Local Authority and national benchmarking data.
- Consider the medium-term budget for the forthcoming year and next two financial years. The plan should show that in terms of finance the School Development Plan is affordable.
- Update the annual budget to reflect any known changes e.g. staffing changes.
- Annual review and approval of the Finance Policy.

Through the Year

- At least termly consider the budget monitoring report, comparing expenditure and income (including sums committed) to the approved budget. Consider if any budget revisions are required and obtain Governing Body approval where required.
- Medium-term budget can be set and reviewed throughout the financial year as a result of budget monitoring, School Development Plan update, change in forecast pupil numbers etc.
- Consider the financial effect of decisions.
- Approval of orders and payments above the delegated limit.

Annual Tasks where timing is dependant on other factors

- Audit and accounts of the School Fund; timing will be determined by the year-end date. The School Fund should be monitored regularly over the financial year. The mission statement should also be reviewed annually.
- Discuss audit recommendations and identify actions to be taken.

Information supplied to the Local Authority

The following information is supplied to the Local Authority in accordance with the Fair Funding Scheme for Financing Schools and the Schools Financial Regulations:

Annual budget plan, including assumptions	1 May
Consistent Financial Reporting Return	Mid June
Budget revisions	At least every three months
Traded Services Buy Back Form	As specified by the brochure
School Fund Audit	Within 5 months after the year end
Quarterly Financial Reports per 3.28 of the Schools Financial Regulations	3 weeks after receipt of the quarter e5 reports
Final Accounts information	In accordance with final accounts timetable
Petty Cash Claim Forms	As and when required
Petty Cash Reconciliation Forms Statement of Internal Control (SIC) School Financial Value Standard (SFVS)	In accordance with final accounts timetable Before the end of the Summer term By 31 st March.

CHARGING POLICY

This Charging Policy informs staff and parents about charging for school activities. It conforms to guidance included in the Fair Funding Scheme for Financing Schools and the Guide to the Law for School Governors.

The school's charging policy is based on the following:

That no charge is made for provision of education during school hours except where teaching individual pupils or groups of up to four to play a musical instrument if the teaching is not an essential part of the National Curriculum or a public examination syllabus being followed by the pupil.

No charge is made for activities that are an essential part of the syllabus for an approved examination.

The school operates the discretion to invite parents to make voluntary contributions for school time activities.

Charges are made for activities that happen outside of school hours when these activities are not a necessary part of the national curriculum or do not form part of the school's basic curriculum for religious education.

Charging for School Activities

Charges are made as follows at the discretion of the Governing Body as to which activities may be the subject of a charge and which may be funded from the delegated budget.

School Visits

Costs incurred for the board and lodging element of residential trips during school time are passed on to parents, subject to the remissions policy.

Costs incurred for residential or other visits held out of school times that are regarded as "optional extras" are passed on to parents in full. When such visits are provided as a required part of the syllabus for a prescribed public examination, or required in relation to the National Curriculum or religious education, then only the board and lodging element is passed on.

Parents are notified in advance of all activities and events, which require special financial considerations. The notification includes a description of the activities to be undertaken and the anticipated costs (per pupil) involved. It also includes information on who might qualify for help with the cost.

Examination Fees

The cost of examination fees, where the examination preparation has not been carried out at school may be charged to parents.

Where in the opinion of the Headteacher and Governing Body, there are educational reasons for not entering a pupil for a particular examination, should the parent still wish to enter the pupil, then the fees will be recovered.

Examination fees will be recovered where the pupil fails to take the final examination, without good reason.

Music Tuition

Charges are made for teaching either an individual pupil, or pupils in a group of up to four, to play a musical instrument, if the teaching is not an essential part of either the National Curriculum or a public examination syllabus being followed by the pupil.

Materials

Parents are charged for, or asked to supply ingredients or materials for craft or home economics lessons when they have indicated, in advance, if they wish to own the finished product.

Voluntary Contributions

Where voluntary contributions are sought the following points are taken into account:

Contributions from parents are only considered where the schools own resources are known to be inadequate to meet the desired range and level of service to be offered to pupils.

All requests to parents for contributions make it quite clear that the contributions are voluntary.

Where voluntary contributions are invited no pupil is left out of an activity because his or her parents cannot or will not make a contribution of any kind.

Voluntary contributions are sought from parents in receipt of Income Support or Family Credit in line with the remission policy

The following is a list of activities organised by the school, for which voluntary contributions are requested from parents.

- Outdoor adventure activities
- Visits to the theatre
- School trips
- Visits to Museums

Remission of Charges

Charges are not made for the board and lodging element of residential activities where the parent/guardian of a pupil is in receipt of the following benefits;

- Free school meals
- Income Support
- Income-based Jobseeker's Allowance
- Support under part VI of the Immigration & Asylum Act 1999
- Child Tax Credit, (refer to latest guidance)
- Guarantee element of State Pension Credit

Advice is sought from Pupil Support & Transport Section annually for any changes in these requirements.

In these cases the claim forms SJ1 and SJ2 for remission of Board and Lodgings Costs are completed and submitted to the Transport and Pupil Support Section.

Activities arranged by a third party

Activities arranged by an outside organisation may charge parents. Such an arrangement would not need to meet the Local Authority's policies on charging or remissions.

Where such visits would entail approval of leave of absence for pupils and teaching/non-teaching staff involved full details will be submitted, through the Governing Body, to the Local Authority for approval.

Signed

Date

Date of Review: March 2014

Date of Next Review: March 2015