

THE THINKING SCHOOLS FEDERATION

Finance Policy & Procedures

THE
THINKING
SCHOOLS
FEDERATION



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Reviewed By: Resources Committee & Governing Body

Chair of Governors/Governing Body

NAME: Ayesha Khanom

SIGNATURE:

DATE:

The Thinking Schools Federation

Finance Policy and Procedures

1. The Aims and Objectives of the Policy

1.1 This Finance Policy and Procedures document works in conjunction with the London Borough of Redbridge School Model Financial Regulation and Standing Orders (January 2019) and applies to both schools in the federation – Highlands Primary School and Uphall Primary School.

1.2 We wish to ensure that:

- Allocation of money is accountable and transparent
- Budgetary decisions are to the full advantage of the education of the children during the time they are in the schools.
- Budgetary decisions enable the raising of standards and achievements for all children in the schools.
- Procedures for handling money are clear and standardised
- There is an appropriate timetable for budget preparation
- The federation/ governing body is able to make informed decisions about the budgets.
- The budgets are closely linked to the SDP/SIP through a process of evaluation, consultation and costing.
- Value for money is established
- There is appropriate delegation that enables school staff and curriculum (learning) leaders to operate budgets (or cost centres) effectively.
- General Data Protection Regulation (GDPR) requirements are followed effectively.
- Staff salaries and pay-related issues are handled according to proper procedures as indicated in the staff pay policy.
- Procedures for goods and services, and works, meet the principles of best value.

2 General

2.1 Overall management of the school budgets are delegated to the Resources Committee, in accordance with the delegation to committees first agreed by the previous Governing Bodies and the subsequent annual reviews.

2.2 Each school will management its own LA delegated budgets/funds.

2.3 Day to day financial management is delegated to the Executive Executive Headteacher/ Principal Learning Leader (PLL). In the absence of the Executive Headteacher, the Head of School/ Deputy Headteacher HLL) shall act, except in respect of policy items 11.1 (virement), 11.4 (write Off) and 13.1.1 (signature of cheques in excess of £10,000). When the Executive Headteacher wishes to delegate certain matters to other staff, then that fact will be notified in writing.

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- 2.4 Federation School Business Leader is responsible for ensuring that instructions/guidance from the Borough are actioned.
- 2.5 This finance policy is subject to an annual review, or on the change of the Executive Headteacher/ PLL.
- 2.6 A Responsible Officer (that is [School Finance Ltd](#)) will provide assurance, at least twice per year, on the following issues:
- the accurate recording and management of the school's accounting systems.
 - the introduction and maintenance of sound internal financial controls.
 - the discharge of any aspect of the Scheme for Financing Schools.
- 2.7 This finance policy should be read in conjunction with the "School Model Financial Regulation and Standing Orders".

3 Resources Committee Structure

- 3.1 The Resources Committee shall consist of [at least](#) 4 members, (dependant on size of the governing body at time of election of membership) which shall be appointed annually by the Governing Body. The Executive Headteacher/PLL will automatically be a member.
- 3.2 The Resources Committee can co-opt other non-elected members; however, these members may not vote for any proposal put to the Committee.
- 3.3 The Resources Committee will meet at least termly. Additional meetings will be held as and when required.
- 3.4 The quorum will be [3](#) members, including the Executive Headteacher.

4 Role of the Governing Body and its committees

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

- manage the school budget, consider the annual budget plan, approve the budget, consider and approve any proposed revisions to the budget plan.
- decide on how to spend delegated budgets depending on any conditions set out in the LA scheme within the financial year.
- decide whether to delegate their powers to spend the delegated budget to the [Executive](#) Headteacher if so, they should establish the financial limits of delegated authority.
- be consulted by the Local Authority (LA) on significant changes to the LA's Fair Funding.
- make sure accurate accounts are kept.

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- determine the staff complement and a pay policy for the school (in accordance with School Teachers Pay and Conditions).
- act as a 'critical friend' to the Executive Headteacher by providing advice, challenge and support.
- establish a written performance management policy to govern staff appraisal, after making sure that all staff have been consulted.

The governing body has a strategic role in the financial management in schools and therefore its key responsibilities include:

- setting financial priorities through the:
 - I. School Improvement/Learning Plan (SI(L) P.
 - II. 3-year financial plans (multi-year budgets)
 - III. The annual budgets
- deciding on how the school's delegated budgets should be spent, in accordance with their SI(L) P and the statutory curriculum requirements laid down by government.
- approving and monitoring the annual budgets
- ensuring the budgets are managed effectively
- ensuring the schools meet all its statutory obligations, and through the Executive Headteacher/ PLL complies with its LA's financial regulations or standing orders.
- determining virement and expenditure thresholds (via monitoring reports)
- developing procedures for goods and services, and works, to make sure the principles of best value are met.
- evaluating the effectiveness of spending decisions
- monitoring of any government grants including Pupil Premium Grant (PPG) and Recovery Pupil Premium, PE & Sports Premium and Catch-up Premium and other grants.

5 Role of the Executive Headteacher/ PLL

The executive Executive Headteacher provides vision, leadership and direction for the school and ensures that it is managed and organised to meet its aims and targets, which are established by the Federation/ Governing Body. The Executive Headteacher/PLL:

- is responsible for the internal organisation, management and control of the schools.
- advises on, and implements the Federation/ Governing Body's strategic framework
- formulates aims and objectives, policies and targets for the Federation/ Governing Body to consider adopting
- formulates and implements the policies for leading the schools toward the set targets and reports on progress to the Governing Body at least once a year.

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- gives the Federation/ Governing Body enough information to ensure that the governors are confident that delegated responsibilities and the Executive Headteacher's responsibilities have been met
- is along with the other professional staff accountable to the Federation/ Governing Body for the school's performance
- draws up and submits to the Federation/ Governing Body an annual budget plan for the schools' delegated funds, and any proposals for revisions to the budget plans as required by the LA scheme.

In resources management terms, the Executive Headteacher/PLL ensures that resources are efficiently and effectively deployed to achieve the schools aims and objectives and is responsible for:

- creating a productive, disciplined learning environment
- day-to-day management, organisation and administration of the school.

More specifically, the Executive Headteacher/PLL has responsibility to:

- meet with the LA budget adviser, if required by LA, to discuss the budget profile (financial position) and to make any necessary adjustments
- obtain governors approval for any budget virements above his/her delegated authority level
- consider and respond promptly to recommendations in school audit/inspection reports, and advise governors of results and any remedial action to be implemented
- ensure the maintenance of accurate and current inventories of all attractive and portable items
- ensure the adequacy of the school's insurance arrangements as part of the annual financial review
- implement school pay policy and appointment procedures
- plan for effective monitoring, evaluating and reviewing of the plans to secure progress and school improvement
- to endeavour to anticipate and solve problems and identify opportunities
- ensure that resourcing and staffing are dedicated to ensuring the highest standards of achievement for all pupils
- set appropriate priorities for expenditure, allocate funds and ensure effective administrative control
- manage and organise accommodation efficiently and effectively to ensure it meets needs of the curriculum and health and safety regulations
- manage, monitor and review the range, quality, quantity and usage of all available resources in order to improve pupils' achievements, ensure efficiency and secure value for money.
- monitor key strategic contracts to make sure that key service standards are delivered.
- report annually to the governors, on all contracts and service level agreements entered into.

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6 Role of the Deputy Headteachers/ DHLL

Head of School/ Deputy Executive Headteacher(s)/ DLL (s), as agreed by governors in the event of long term absence of the Executive Headteacher/PLL, will undertake the duties set-out in section 5 above.

7 Role of the Federation School Business Leader (FSBL)

To ensure responsible and efficient operation and administration of the schools' financial systems, and carrying out any day-to day financial administration support.

To lead, operate, maintain and develop the financial procedures and systems of both schools, in co-operation with the Leadership Team and Governors.

To play a significant part in appropriate decisions relating to schools finances.

To be responsible for the administration of all financial matters.

Duties & Responsibilities

- To provide support to the federation/ governing body and the Executive Headteacher/PLL in ensuring that the schools are compliant with the School Financial Value Standard (SFVS).
- To utilise available resource management tools to evaluate spending decisions, and aid improvements in the policy and procedures.
- Completion and submission of returns to the Local Authority and the Department for Education. Preparing financial reports for the Executive Headteacher and Governors, answering queries and attending Senior Leadership Team & Governing Body Meetings, as necessary.
- To administer the school bank account including computerized recording: monthly VAT returns and bank reconciliation.
- To assist and prepare the annual budgets for the schools to be submitted to the Governing Body for approval.
- To monitor the schools delegated budget (General Ledger).
- Maintain the schools private fund accounts, including preparation of annual audits.
- Prepare and bank all income including school outings, photographs and donations.
- Maintain the petty cash systems.
- Process invoices after goods are checked.
- Monitor/arrange payments of supply teachers.
- Arrange payments of maintenance and other schools' contractors.
- Process insurance claims and ensure funds are received.

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- Monitor and maintain records for Pupil Premium Grant (PPG), PE & Sports Grant and Catch-up Grant.
- Raise invoices and bank income for Extended School Activities, tuition fees, lettings as they arise.
- Liaise with Strategic Learning Leaders, Site Managers, Governors and Executive Headteacher over minor repairs and building repairs.
- Maintain the schools' inventories, keeping them up to date and fit for audit.
- Manage the purchase ledger systems.
- Liaise with staff budget holders, checking proposed expenditure against capitation (learning) and other budgets, and supplying regular reports.
- Process all supply/additional hours claim forms, checking, arrange certification and forward to Human Resources (HR) for payments.
- Dealing with budget queries.
- Production of reports to the Executive Headteacher, Governors and other budget holders for the purposes of monitoring and evaluation.
- To co-ordinate the process of external audits.
- To prepare BACS/cheques for the payments of goods and services.
- To work with the school clerical staff as a member of the school office team as appropriate.
- Attend any training as required.
- Maintain the highest standards of honesty, integrity and confidentiality.
- To undertake any duties as deemed to be reasonable by the Executive Headteacher/PLL.
- Be aware of and comply with policies and procedures relating to all financial regulations, health, safety and security, confidentiality and data protection, reporting all concerns to an appropriate person
- Contribute to the overall ethos/work/aims of the school
- Appreciate and support the role of other professionals
- Attend relevant meetings as required
- Participate in training and other learning activities and performance development as required.

7.1 The Federation School Business Leader is supported by two key part-time Finance Assistants (FAs), performing the following tasks:

Finance Assistant # 1 (Term Time Only)

Cashier duties

- Receive monies in respect of numerous school activities (i.e. school trips, productions, dinner money, uniform day, red nose etc.)
- Issue receipts, for income over £10 and when appropriate
- Update Excel spreadsheet, and other finance system, for all income received in a timely manner.

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Dinner Register

- Update the e- dinner register on a daily basis, if applicable
- Print off weekly dinner registers and put in class folders, if applicable
- Update the Student database (Integris) – with students Entitlement to Free school meals (FSM)
- Update and maintain the ISS e-dinner system (new pupils, leavers and entitlement to FSM)
- Work with Initial Catering Service (ISS) on a weekly basis to allocate individual payments to the dinner system, carry out reconciliation and prepare weekly report.
- Prepare report for the kitchen and management use, where necessary
- Chase-up parents, daily, who have dinner money debts. (where applicable – largely paused due to Major’s FSM programme).

General Duties

- Maintain the pupil premium database (using Integris), for clubs and enrichment activities.
- The Executive Headteacher, Strategic Learning Leaders, in liaison with the Federation School Business Leader, may assign other tasks from time to time.

Federation Business Officer # 2 (TTO - 2 days per week)

Ordering & Invoice payments

- Place purchase orders as directed by the FSBL.
- Enter orders to the Finance Systems.
- Enter invoices onto the Finance System, in line with Finance Policy and Procedures (checking delivery of goods and coding to the agreed budget).
- [Administration of the Single Central Register at Highlands Primary School.](#)
- [Personnel/ HR administration of Joiners and Leavers at Highlands Primary School.](#)
- [Provide support to the Executive Headteacher/ PLL and Deputy HT.](#)
- [Provide support to the Federation School Business Leader and Strategic Learning Leaders.](#)

8 Role of Budget Holders

The Executive Headteacher has authority to delegate and has delegated approval to incur expenditure to: -

- Subject Leaders/ Year Group Leaders, and other budget holders, within the limits of the approved subject / other budgets. The budget holders will raise orders for authorisation by the Executive

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Headteacher, Deputy Executive Headteacher, Strategic Learning Leaders and Federation School Business Leader.

- Site Manager within the limits of the approved relevant premises budget (single order over £1,000 to be authorised by the Executive Headteacher/ Deputy Executive Headteacher, Strategic Learning Leaders and Federation School Business Leader).

Budget holders are responsible for the overall management and monitoring of their Budgets. Specific responsibilities include:

- Authorising all purchase orders against the budget, using the Internal Order form within the limits of the available budget; ready for the Executive Headteacher/ Deputy Headteacher, Strategic Learning Leaders or Federation School Business Leader, to sign.
- The SLLs and FSBL are able to sign orders up to the limit of £2,000 per official purchase order.
- Monitoring expenditure to ensure that the budget is not exceeded.
- Securing goods delivered by the premises staff; after goods have been checked by the premises staff or reception and delivery notes passed to the [Federation](#) School Business Leader or [Federation Business Officer](#).
- Planning of future budgetary needs to be included in the School Improvement/Learning Plan (SDP).
- Liaison with the FSBL or assistants: Budget holders will be provided with half-termly statement showing all charges against the Subject/ Year Group Budget. The FSBL will also provide a Financial Management Statement (RM Cash Account) at any time on request.
- Investigate variances (i.e., material differences between expected spending and actual spent) and report reasons to the Federation School Business Leader, if appropriate.

9 Budget Preparation and Reporting

- 9.1 The budgets will be prepared by the Executive Headteacher, and the Federation School Business Leader; in consultation with the Resources Committee, having due regard to the priorities in the School Improvement/ Learning Plans.
- 9.2 The budget preparation and reporting takes place within an annual planning cycle (**Annex 2**).
- 9.3 The Federation / Governing Body will approve the budget by the 1st May, and ideally by 31st March.
- 9.4 Termly, the Executive Headteacher/PLL (*with appropriate support from the Federation School Business Leader*) will submit a report to the Resources Committee, detailing expenditures to date compared with approved budgets to date, together with details of variances, and a projection of expected expenditures to the year-end. This will then

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be reported to the federation/ full Governing Body at their next meeting and forwarded to the LA.

- 9.5 As soon as possible after the end of the financial year, the Executive Headteacher shall submit a report to the Federation/ Governing Body, detailing expenditures compared with budgets, together with explanations of variances.
- 9.6 The schools will utilise the budget planning and development planning checklists (**Appendix H**) during the budget setting process.
- 9.7** The annual cycle for key submission documents due to the LA – **see Appendix J.**

10 Leasing and Rental of Equipment Arrangements

- 10.1 **There** are two kinds of leases, operating leases and finance leases. Finance Leases are in essence borrowing and therefore schools are not empowered to enter into such leases.

To enter into an operating lease arrangement, prior approval is required by the Local Authority (LA).

The LA previously recommended UniLink Finance Limited and **Link Asset Services** (www.linkassetservices.com or 0333 300 1921), as the companies to support schools, in Redbridge Council, in handling operating lease arrangements.

- 10.2 The school submits annual returns detailing leases held, to the LA: See **Appendix O** for the format of the return.

11 Day to Day Financial Management

11.1 Virement Limits¹

- 11.1.1 The Executive Headteacher is permitted to authorise virements between budget headings up to a maximum of £20,000 and up to £30,000 in consultation with the Chair of Governors. Virements in excess of these amounts are to be referred to the Resources Committee.
- 11.1.2 Where these virement powers are exercised, the details of the budgets affected will be recorded in writing and authorised by the Executive Headteacher, and reported to the next meeting of the Resources Committee.
- 11.1.3 The virement powers can be delegated to a [Head of School](#)/ Deputy Headteacher/DHLL in the long-term absence of a Executive Headteacher, and in consultation with the Chair of Governors.

11.2 Expenditure Limits

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The Executive Headteacher/PLL is able to authorise expenditure on day-to-day items and services up to a limit of £25,000 (for official orders) and £50,000 (for invoice authorisation, where the correct purchase order procedure was followed) on any one item (excluding utilities and LA invoices such as Free Meals). Authorisations in excess of this amount shall be referred to the Resources Committee.

11.3 Electronic Purchase Card Solution (e-PCS)

- Refer to the attached E-Purchase Card Solution policy.
[Operating in both schools.](#)

11.4 Bad Debts/Disposal of Equipment²

All bad debt write-offs and all disposals of equipment shall be in accordance with the following:

Disposals

- (i) The Executive Headteacher/ PLL shall be authorised to dispose of surplus, damaged or scrap stock, materials or equipment on the best possible terms, where the estimated realisable value of the materials does not exceed *£500 for any single item*. Where the estimated realisable value exceeds *£500*, the approval of the *Resources Committee* shall be obtained.
- (ii) If the estimated realisable value of the materials is in excess of *£50* but does not exceed *£500*, the proposed disposal may be advertised on the staff notice board and staff may be invited to submit sealed bids for the items.
- (iii) If the estimated realisable value of the materials is in excess of *£500*, quotations shall be invited from at least two sources external to the school. Staff are not precluded from also submitting bids.
- (iv) Records of disposals shall be kept, together with details of bids.

Write Offs

- (i) The Executive Headteacher/HLL shall be authorised to write off any debt owing to the school up to a value of *£500* for any one item, provided that s/he is satisfied that proper steps have been taken to mitigate the loss and prevent a recurrence. This may, for example, be in respect of school meals debts; lettings; damage to the school or contents; charges levied by the school (e.g., music tuition). Any debt in excess of this shall be written off by the *Resources Committee*.
- (ii) Records of write offs shall be kept.

Disposal of Assets – ICT Equipment

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In case of ICT equipment being disposed of, the Federation/ Governing Body is responsible for ensuring that:

- i) All data is removed from PCs.
- ii) All hardware is to be disposed of in accordance with the WEEE (Waste Electrical and Electronic Equipment) directive

Further assistance and guidance on technical aspects of meeting these requirements can be sought from the Local Authority.

11.5 Budget Holders

At the commencement of each year, the Executive Headteacher shall decide which staff will be responsible for each area (or sub area) of the budgets, and shall notify to that member of staff the amount of the budget for the year.

11.6 Budget Holders Records

Budget holders shall maintain adequate records to enable them to monitor their expenditure. Example copies of purchase orders, invoices and budget reports can be obtained from the Federation School Business Leader and the Federation Business Officer.

11.7 Maintenance of Financial Systems

Federation School Business Leader shall maintain the financial systems (Arbor Finance) of the schools, and attend training and implement any new financial system proposed by the LA.

11.8 Reports to Budget Holders

Every half term the Federation *School Business Leader or Federation Business Officer* shall make available to each budget holder a print of the expenditure on their budget area to date, which the budget holder shall check against their own records.

11.9 Expenditure

Formal Orders will be placed for all expenditure, except for petty cash items (under £25), staffing and utilities. These orders will be signed by (Executive *Headteacher/Deputy Head*). Budget holders may only authorise orders in respect of their own budget area and orders may not be placed in excess of the remaining budget. The Strategic Learning Leaders and Federation SBL are able to authorise orders from other budgets up to £2,000.00 within the available budgets.

11.10 Quotations and Tenders

In accordance with LBR, three written quotations must be obtained where the estimate of expenditure for an item exceeds £10,000. *In*

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addition the school has decided to obtain prices where the estimated costs are in the ranges given below:

Two price estimates must be obtained where the estimate of expenditure for an item is between £1,000 - £3,000.

Two **written quotations** must be obtained where the estimate of expenditure for an item is between £3,001 - £10,000 (particularly for building works) from suppliers selected from the LA approved suppliers list (EXOR), ISBL's preferred suppliers, construction line database system, government endorsed Crown Commercial Service (CCS) and/ or through Redbridge schools procurement working group. The selection of the method depends on what the school is buying and how best to procure the item/s). See also 11.10.1 (ii) of the Finance Policy.

Estimates of expenditure for an item under £1,000 must meet value for money principles of economy, efficiency and effectiveness.

11.10.1 Tendering Arrangements for various levels of contracts above £10,000

The Federation/ Governing Body will operate the Authority's Contracting Standing Orders (SO 86-93) as follows:

For Contracts with a **Net Value between £10,001 and £50,000**, at least **three written quotations** must be obtained and the Governing Body may use their discretion as to whether additional quotations should be obtained having regard to relevant factors that should be taken into account including but not limited to, an

- I) externally imposed time limit;
- II) the Governing Body will record in writing the process used to determine the number of quotations obtained and the reason for selecting Organisation (s) to quote. Such records shall be retained for a minimum of six years from the date of recording.

For Contracts with a **Net Value exceeding £50,001**, the Governing Body will pay for services of the Authority's Procurement Department ([if available at the LA](#)), or any qualified facility management firm e.g. Six Five Education Ltd, to manage the tendering arrangements with the full involvement of representatives of the Federation / Governing Body.

For Contracts where EU regulations may applicable (currently for values above £175,000 for a single purchase), the federation/ governing body will determine the strategy, procedure and

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processes.

11.10.2 A procurement workflows diagrams provide guidance for Goods, Works and Services for values under and over £181,302 (**Appendix M**).

11.10.3 Where competitive quotes cannot be obtained, a Purchase Order Waiver Form (Appendix N) will be completed.

11.11 GL Checking

Federation School Business Leader is responsible for checking the monthly GL/Payroll reports sent to the school and for following up any discrepancies with the Education Finance Section.

11.12 Invoices

The member of staff ordering the goods will not undertake receiving of goods and signing of delivery notes. The Executive Headteacher / Deputy Head will certify invoices for payment.

11.13 Inventories and Security

11.13.1 Inventories will be maintained in accordance with the guidelines in the "*School Finance Regulation and LA Standing Order*". Federation School Business Leader and [Federation Business Officer](#) will update inventories immediately on receipt of goods. Inventories will be checked annually and certified accordingly by the Executive Headteacher/*Deputy Head* or other member of the Senior Leadership Team.

11.13.2 The ICT Manager/ ICT department will carry out at least a 'monthly checking' of ICT Equipment e.g., mini-laptops, cameras and similar small valuable item. Any loss will be reported immediately to the Executive Headteacher and Federation School Business Leader, for further investigation and action.

11.13.3 Safes and secure cupboards/cabinets will be kept locked, the keys removed and held in a secure location as determined by the Executive Headteacher or Federation SBL.

11.13.4 Stores and equipment should be secured by means of physical and other security devices.

12 Insurance

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- 12.1 The Governing Body/Resources Committee will consider the extent of the insurances for the school on an annual basis.
- 12.2 The Public Liability insurance covers personal accidents where negligence is proved.
- 12.3 Insurance cover is provided for school trips through the LA (currently underwritten by AIG Travel Insurance UK.)
- 12.4 Equipment such as laptops are not covered when left in a vehicle unattended.

13 Banking Procedures

- 13.1 The cheque signatories for the bank accounts (Delegated and School Fund) are as follows: *Executive Headteacher*, Deputy Headteachers, School Business Leader and Strategic Learning Leader.
 - 13.1.1 Two signatories shall sign each cheque; for cheques over £5,000 one of these must be the Executive Headteacher.
 - 13.1.2 Cheque payees will not act as a signatory for his/her cheque.
 - 13.1.3 At the end of each month the School Business Leader will reconcile the bank account to the computerised accounting records. The *Executive Headteacher/Deputy Headteacher* will certify the bank reconciliation as correct and sign the bank statement.
 - 13.1.4 The Governing Body *does approve* the use of a school's debit cards. See section 11.3

14 Electronic Payments (BACS): Internet Banking Controls and Procedures

- 14.1 Electronic payments are used as it is a convenient and efficient way of managing transaction. To manage and minimise risk of misappropriation/ fraud several controls are in place – **as set out in Appendix P.**
- 14.2 This method of payment was first discussed and agreed by the Governing Body, in September 2018 and reviewed on the 25th March 2021 (Uphall Primary School).
- 14.3 [BACS payment system to operate at Highlands Primary School from the 1st December 2023.](#)

15 Pecuniary Interests and Relations

- 15.1 It is the responsibility of the Executive Headteacher/ PLL and the Governing Board to ensure that staff and governors do not directly or indirectly benefit financially when spending public money.

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- 15.2 To control this conflict of interest, the school has established a register of pecuniary interests and relationships of all staff and governors.
- 15.3 Annually, preferably in September, all governors, senior managers and staff with financial responsibilities are required to disclose any interest they have in firms that may provide services to the school.
- 15.4 The register for governors is available for inspection from the Clerk to governors [via Governor Hub](#).

16 Security

- 16.1 All equipment should be securely locked away when not in use.
- 16.1.1 Items entered on the inventory shall be visibly security marked with the school's name and postcode, except items not belonging to the school. *The ICT Manager/ Federation School Business Leader* will be responsible for arranging for this to be done.
- 16.1.2 Staff may borrow items for educational and the schools' administrative work purposes only and must complete the register on borrowing and on return. *The ICT Manager* holds the register.
- 16.1.3 All monies must be stored in the school safe at all times when it is not being actually counted; and amounts held will be compatible to the insurance cover limits.
- 16.1.4 Keys should be kept on the person of the key holder, not in a desk drawer.
- 16.1.5 Electronic payment login details and equipment must be kept and locked away securely – password details must not be shared.

17 Income

- 17.1 All monies received must be recorded and where the amount paid is in excess of £10 in cash a receipt must be given, or the pupil's record card, or similar record, must be signed.
- 17.1.1 Monies must be regularly given to the school office, and a receipt obtained, if required.
- 17.1.2 Wherever possible, income will be collected in advance of the service being provided. Where this is not possible, payment terms will be conveyed to the debtor in writing.
- 17.1.3 **School trip collection:** parents are encouraged to pay large amounts, above £40, in instalments. A record of this is kept in the finance office and the Federation Business Officer/ Finance Assistant, in conjunction with the trip organiser, will follow up outstanding amounts.

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For further details on contributions and financial arrangements, please see the "Charging and remissions policy".

- 17.1.4 The Federation School Business Leader is responsible for ensuring that monthly reconciliation takes place between the income collected and the sums deposited at the bank. This reconciliation will be fully documented and available for inspection when required.

18 Lettings

- 18.1 *School Business Leader* shall be responsible for maintaining the lettings records, i.e. taking bookings, maintaining a lettings diary, and arranging with the Site Manager, or Deputy, for the school to be opened/locked up. Invoices will be raised in advance of the letting taking place. If the fee has not been received (bank cleared cheque) by the date of the letting, then the letting may be cancelled.
- 18.2 *School Business Leader* will invoice the hirer for the use of the premises. Any follow up for non-payment will be undertaken by *School Business Leader* who will also check the lettings diary, as necessary, to ensure invoices have been raised for all lettings.

19 Petty Cash

- 19.1 School Business Leader and Federation Business Officer will maintain petty cash records.
- 19.2 The maximum claim from petty cash is £25. Above this amount, reimbursement will be made by cheque.
- 19.3 A receipt must be obtained (suitable for VAT purposes, if applicable) for any petty cash payment. A petty cash claim voucher should be completed and certified for payment by the *Executive Headteacher/Deputy Headteacher*. The voucher must state from which budget the item is to be paid from.
- 19.4 The petty cash imprest is £200.
- 19.5 Personal cheques cannot be cashed.
- 19.6 The chair of governors will certify the Executive Headteacher's petty cash claims.

20 School Fund

- 20.1 School fund records will be maintained by *School Business Leader* or Finance Assistant (s).
- 20.1.1 A suitable person not employed by the school and unconnected with its operation will audit the school fund each year. The Governing Body will appoint the auditor.
- 20.1.2 The accounting period will run from:
- 1st April to 31st March (Uphall Primary School) &

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- 1st September to 31st August (Highlands Primary School).

20.1.3 An audited statement of income and expenditure will be presented to the Governing Body.

20.1.4 The Executive Headteacher/ [Federation SBL](#) will report to the Governing Body, on such funds, at least once a term.

20.1.5 The petty cash imprest is £50.

21 Computer System and Data Protection

The use of computer system, particularly administrative systems requires the registration of the governing body and the Executive Headteacher under the Data Protection Act (1984).

20.1 The computer systems used in the school must be backed up regularly; daily, weekly and monthly.

20.2 All data is backed up on a nightly basis. Server System data is backed up to a removable hard drive in the Server room. All profile and file data is backed up to Network Storage in the ICT Office. Consequently, data is back-up in two separate areas in case of fire - the original data which is stored on the servers themselves, and another copy in ICT.

20.3 Computers used in schools must be used only by authorised personnel and with the correct password.

20.4 Care must be taken with software used and virus checks kept up-to-date. Any computer hardware and storage medium (e.g. USB sticks) to be used off-site must be encrypted.

20.5 Data Processing is governed by the General Data Protection Regulation (GDPR).

22 Personnel and Payroll Procedures

22.1 The Governors' Resources Committee and Pay Committee (if applicable) oversee the implementation of the school's pay policy. Currently, the school buys into the LA payroll and personnel services (partial), as well as Education Mutual Limited for Occupational Health Assessment (Uphall) and Schools Advisory Services (Highlands). Any authorised changes to payroll are signed either by the Chair of Governors (for Executive Headteacher appointment and pay), Executive Headteacher for Deputy Headteacher or other delegated Senior Leaders.

22.2 The Executive Headteacher will ensure that all processes in relation to completing, checking and authorising any documents and claims related to appointments, terminations of employment and expenses are carried out by more than one person.

22.3 Details of staff able to authorise any documents and claims should be

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forwarded to the schools payroll provider (s), including specimen signatures where required.

- 22.4 All payments to individuals should be made through the payroll system except where an employment self-assessment questionnaire has been completed and the Executive Headteacher or School Business Leader is satisfied from reading the LA/ HMRC guidance that the contract is one of self-employment.
- 22.5 The Executive Headteacher will maintain a list of all staff employed at the school. This will be updated on an annual basis, or as necessary, to reflect new starters and leavers.
- 22.6 The School Business Leader will ensure that regular payroll Checks/reconciliations are carried out on payroll transactions against the school's documentation on staffing and pay to ensure they match (see 11.11). The Executive Headteacher / Deputy Headteacher will certify payroll checks/reconciliations.
- 22.7 Teaching Staff should be given an updated [annual](#) salary assessment during the Autumn Term.

23 Conduct, Bribery and Corruption

- 23.1 All staff, governors, pupils and parents are encouraged to report any acts they consider to be improper and or illegal.
- 23.2 The school has a "Whistle blowing" policy that has been approved by governors which sets out the process for reporting such acts or actions.
- 22.3. The school also has in place a "Gifts and Hospitality Policy and Register" which requires the recording of hospitality and gifts received by members of staff. The register holds records of gifts received and approved by the Executive Headteacher, if applicable.

23 Linked Policies

Other policies which should be referred to include:

- Pay
- Charging and Remissions
- Lettings
- Whistle Blowing
- Health and Safety
- Data Protection & GDPR and related policies
- Gifts and Hospitality Policy
- Business Continuity/ Disaster Recovery
- Risk Register
- E-Purchase Card Solution Policy

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- Electron Payment: Internet banking controls and procedures

Annex 2 - Annual Planning Cycle

Tasks	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar/Apr
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Executive Headteacher (HT), School Business Leader (SBL) & Strategic Learning Leader (SLL) meet to discuss aspects of the school development plan (including staffing requirements, premises improvement plans & ICT)												
HT/SLT prepare/review School Development Plan for approval by GB												
FM prepare draft budget for next financial year & beyond												
Draft budget to Finance & Resources Committee (F&RC) for consider and recommendation to full Governing Body												
Final budget ratified by full Governing Body - extra ordinary budget meeting												
Three/ four year budget plan completed and submitted to Local Authority (LA)												
Budget monitoring & Finance Report to the F&RC - at least once per term												
Budget monitoring & Finance Report to the full GB following the F&RC - at least once per term												
Submit approved Schools Financial Value Standard (SFVS) to LA												
Review charging & remission policy												
Review Finance Policy an procedures (Every 2 years)												

¹ Explanatory notes

- 1 Virement is the transfer of a budget or part of a budget to another budget.

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- 2 Virements are cumulative, e.g. 2 virements of £5,000 cannot be made from the same budget. The £5,000 limit applies to the budget being vired from, not the budget being vired to.
- 3 If a new budget is approved by the Governing Body/Finance Committee during the financial year, fresh virements can be made from budgets.
- 4 Virement powers should be re-considered each year, or when there is a change of Executive Headteacher.
- 5 If a budget is overspent, virement powers should be used to correct the overspend; or a revised budget approved.
- 6 The limit of £5,000 is suggested, however, the power of setting the virement limit lies with the Governing Body.

² **Explanatory notes**

It is a Governing Body's responsibility to set limits for disposals and write offs. It is therefore necessary for each Governing Body to agree a suitable policy.

Definitions

A disposal arises when stock, equipment and materials are no longer required.

A write off arises where stock, equipment, materials or money are irrecoverable (damaged, destroyed or lost). Money needs to be written off where the school has exhausted cost-effective options for recovering debts, e.g. dinner money arrears, lettings where the hirer has failed to pay.

Estimated realisable value

This is an estimate of how much you would get from selling the item.

The figures in italics are suggested limits which we think strike the balance between good accountability and minimising bureaucracy. However, it is the responsibility of each Governing Body to set limits that best meets its purposes.