



Financial Code of Practice incorporating the Scheme of Delegation

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We are a UNICEF Rights Respecting School

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Section A

1. Aims

1.1 This code of practice is intended to:

- (a) help maintain and improve the quality of education provided for pupils in the School by ensuring that a policy of sound financial management supports the School's purpose, ethos and Improvement Plan
- (b) support the curriculum
- (c) establish and develop good practice, ensuring financial accountability and integrity
- (d) demonstrate that the Governing Body is managing the delegated budget fairly and responsibly.

1.2 This code of practice outlines procedures and decisions made by the Governing Body of Stepney Park in line with Tower Hamlets' Children's Services Financial Regulations and the advice of the Borough's auditors.

1.3 The Governing Body, the Headteacher and all the school staff will at all times comply with this policy which incorporates the Scheme of Delegation and the Schools Finance Procedures manual of the LBTH.

1.4 The Governing Body will endeavor to achieve the standards of the DFE Schools Financial Value Standards (SFVS).

2. Roles and Responsibilities

2.1 The Governing Body

The Governing Body:

2.1.1 has overall responsibility for financial planning and control to secure the most effective use of available resources;

2.1.2 will establish and monitor financial systems to support its financial responsibilities and ensure probity;

2.1.3 will pay due regard to the L.A.'s financial regulations and provide reports which are requested by the L.A. to carry out its financial responsibilities;

2.1.4 will devolve responsibilities as described in this code of practice to the Resources Committee, the Headteacher, the School Business Manager and budget holders but will:-

- agree the budget plan as part of the School's management plans
- receive regular financial reports from RM Finance to enable it to ensure priorities are being addressed and to monitor the effective use of resources and ensure the accountability of staff;

2.1.5 will receive an outline budget plan from the Headteacher and Resources Committee and agree the School's budget plan, which will be set within the available resources, when the School's budget allocation has been received from the LA;

2.1.6 has designated the following members of staff as budget holders - Head teacher, Deputy Headteacher ;Assistant Headteachers, Curriculum subject leaders, Office Managers, and Premises Manager.

2.1.7 has designated the following people as signatories for the School's bank accounts - Head, Deputy and one School Business Manager;

2.1.8 will regularly review security arrangements and receive reports on losses through theft and vandalism;

2.1.9 will receive regular reports from RM Finance indicating potential overspend and underspend;

2.1.10 will receive reports of and agree virement on budgets over £20,000;

2.1.11 monitor the purchasing or tendering of any items of expenditure over £20,000

2.2 The Resources Committee

Will scrutinise and, where necessary, approve financial expenditure to ensure the achievement of the SDP and budget plan. To this end it will:

2.2.1 receive regular financial reports from RM Finance 6 times a year.

2.2.2 monitor the purchasing or tendering of any items of expenditure over £10,000;

2.2.3. will receive reports of and agree virement on budgets over £10,000;

2.2.4 submit termly financial reports from RM Finance and recommendations to the Governing Body;

2.2.5 monitor all financial systems;

2.2.6 respond in detail to audit reports.

2.3 The Headteacher and/or Deputy

2.3.1. advise the Governing Body on financial matters;

2.3.2 will prepare a budget plan and options which reflect SDP priorities

2.3.3 will ensure the agreed financial procedures are followed on:-

- purchasing procedures
- budget virement '
- budget reports to governors and LA
- security of assets;

2.3.4 will be one of the signatories for the School bank accounts;

2.3.5. will approve budget virements up to £10,000

5.3.6 Will log onto the secure banking webpage as authorisers and approve the payment of BACS file:

2.4 School Business Manager

2.4.1 one of the two SBMs will be a cheque signatory for the School bank accounts;

2.4.2 will oversee accounting records;

2.4.3 will assist the Head in preparing budget plan options;

2.4.4 will prepare termly reports for the governing body

2.4.5 will ensure payments are made by BACS when purchasing orders are completed when expense claims are made by budget holders and are supported by expense forms and receipts.

2.4.6 will ensure that approved invoices and exported BACS records from RM (the Payment Pending Reports) and the BACS payments report from Bankline are checked for accuracy and authorised before being passed to the Headteacher or Deputy Headteacher (authorisers)

2.4.9 will arrange for the School Fund to be audited annually.

2.5 The Finance Officer

2.5.1 will maintain accounting records on RM Finance the schools accounting system

2.5.2 will input Purchase Orders onto RM Finance and prepare invoices for payments

2.5.3 will be responsible for processing approved invoices and preparing the file for BACS payments.

2.5.4 Will create a payments Pending Reports from RM, create a Bacs file from RM and import the file into Bankline.

2.5.5 will prepare monthly reports for the LA from RM Finance and prepare Budget Monitoring Reports having completed a monthly bank reconciliation.

2.5.6 will prepare the annual Income and Expenditure summary for the School Fund account

2.5 Budget Holders

2.5.1 The governing body has designated the following members of staff as budget holders - Head, Deputy, Curriculum subject leaders, Office Manager and Premises Manager.

2.5.2 Sample signatures of all budget holders are held by the School Business Manager.

2.5.3 Each budget holder will monitor their spending against a budget profile issued by the Finance Officer on a monthly basis.

2.5.4 Budget holders and staff will use the School's official expense forms and order forms..

2.5.5 Orders placed by budget holders will conform to the School's ordering procedure.

2.5.7 Budget holders will inform the admin team of assets to be recorded on the asset register.

3. Pecuniary Interests

Conflict of Interests

3.1 The Governing Body has undertaken the responsibility to avoid any conflict between their business and/or personal interests and affairs and interests of the school. The Register of Business Interest has been considered by the Governing Body and all members of staff.

Register of Business Interests

3.2 The Governing Body has established a register which, for each member of the Governing Body, the Headteacher and members of staff with significant financial responsibility, lists any business interests or personal interests they or any member of their immediate family have (A Governor who has no business interest or personal interest to declare should still make an entry under their name in the register recording the interests as "none".) The Headteacher and SBMs will be responsible for ensuring that the Registrar of Business Interest is being used and updated regularly.

Goods and Services for Private Use

3.4 The school will avoid practices such as obtaining goods and services that may include an element of private use for Governors or staff.

Section B

1. Financial Planning

- 1.1 The budget plan is central to the achievements of the School's educational objectives. These objectives are contained in the School Development Plan and are reviewed regularly by staff and governors and agreed annually to allow the budget plan to be prepared before the commencement of the financial year. A final plan will be agreed when notification of the School's budget share has been received from the LA.
- 1.2 The Governing Body ensures that the planned expenditure for each financial year does not exceed the available budget, as adjusted for carry over from previous years, income receivable, provisions for pay or price increases or other contingencies.
- 1.3 Responsibilities devolved to the Resources Committee, the Headteacher and members of staff will enable them to make decisions and manage the School's finances to achieve the overall aims and priorities established by the whole School and agreed by the Governing Body.
- 1.4 By receiving regular reports termly from the Resources Committee, the Governing Body will be able to evaluate the extent to which financial decisions have promoted the prioritised educational objectives of the School and monitor the effective use of resources.

2. Monitoring

- 2.1 Monitoring will secure value for money and financial probity while ensuring expenditure stays within budget. It will be achieved by strict adherence to agreed financial systems and particularly those related to purchasing.
- 2.2 The Headteacher and School Business Managers will monitor expenditure to ensure accuracy including payroll charges.
- 2.3 The monthly reports to the LA will provide the focus for monthly monitoring requiring a reconciliation of the School's bank accounts and appropriate VAT returns.
- 2.4 The monthly reports from EPM will provide the focus for monitoring payroll charges.
- 2.5 The Resources Committee will review the School's spending against the budget plan twice termly and will recommend any necessary action. This process will also enable the school to address potential over or underspend. This will be via the monthly BMR report that will be reported either via email or in the Resource Meetings in line with the SFVS.
- 2.6 Decisions to vire funds from one budget heading to another are taken by the Headteacher, Resources Committee or Governing Body must support the school's aims and objectives.
- 2.7 All budget holders will receive monthly reports in order that they may monitor their expenditure.

3. Financial Systems

3.1 Bank Accounts

- 3.1.1 Signatories to cheques will be two from three names confirmed by the Governing Body — currently the Headteacher, Deputy Head and one School Business Manager.
- 3.1.2 The School will have its own bank account as part of the LA's arrangements with the National Westminster Bank for the LA delegated monies.
- 3.1.3 The School will also have separate bank accounts for:- (a) School] Fund
- 3.1.4 All bank statements will be signed by the headteacher.

3.2 Accounting System

- 3.2.1 All financial transactions for LA delegated budget are recorded on the RM Finance system.
- 3.2.2 All financial transactions for School Journey and Fund Accounts are recorded on Excel spreadsheets.
- 3.2.3. Monthly reports to the LA will be completed by the Finance Officer and confirmed by the Headteacher.

3.3 Purchase Ordering

3.3 Ordering Procedures

- 3.3.1 Orders will be processed following the order procedure. See Appendix A
- 3.3.2 Orders may only be authorised by a delegated budget holder and must be countersigned by the Headteacher or Deputy Headteacher.
- 3.3.2 Orders, within budget plan, that total £5000 will be agreed by the Headteacher.
- 3.3.3 The budget holder ensures that all orders are appropriate and needed, that there is adequate budgetary provision and that quotes or tenders have been obtained if necessary.
- 3.3.4 All orders, including course and trip bookings, will be made on official pre- numbered requisition/order forms. Where urgency requires a verbal order, it must be followed up as soon as possible with a written order. This will ensure that the school has a precise record of what has been ordered, which can then be compared against items delivered
- 3.3.5 Orders cannot be altered after authorisation, unless any amendment is also authorised.
- 3.3.6 Where goods and/or services are regularly purchased from individual service level agreements, there will be annual checks to ensure the School is still receiving value for money.
- 3.3.7 Official orders are not raised for procuring supply personnel from agencies but laid down procedures should be followed

3.3 School card

- 3.3.9 The school has a debit card for use only in limited circumstances. Payment for goods using the school debit card will only be made when it is more expedient than making the payment by BACS or cheque.
- 3.3.10 Only the Headteacher, Deputy Head, Office Manager, PA to SLT and Resources Manager are authorised to process payments for goods using the card.
- 3.3.11 All payments may only be made for goods that were ordered and authorised in accordance with the procedures laid down within this document. All proper records must be kept of any payments made and signed in the same manner as if payment was made by cheque.
- 3.3.12 The card will be stored in the school safe when not in use.

3.4 Expenditure

3.4 Expenditure Limits

- 3.4.1 No specific number of quotations is required for single item purchases totalling less than £5,000.
- 3.4.2 Two or more written quotations are required for purchases totalling between £5,001 and £10,000.

- 3.4.3 Three or more written quotations are required for all orders above £10,001.
- 3.4.4 It is the governors' policy to comply with tendering procedures where purchases are estimated to exceed European Union Procurement Regulations thresholds and will follow the guidelines set by London Borough of Tower Hamlets in the Financial Procedure Manual. From January 2012, the threshold for supplies and services was £173,934. Capital works have a higher threshold of £4,348,350. The threshold applies to the contract value, not the annual value of the contract, so a three year contract with an annual value of £60,000 would be subject to the regulations.
- 3.4.5 In circumstances where it has not been practicable to obtain the required number of quotations (e.g. where one or more suppliers have refused to quote), the reasons for not doing so must be reported to the finance committee and/or the Governing Body. In circumstances where the school make the acquisition through Tower Hamlets Council, e.g. when purchasing ICT equipment or services, it will be acceptable to waive obtaining the pre-requisite number of quotes. It is expected that the Council will have conducted its own such due diligence.
- 3.4.6 If a decision is taken to proceed with a quotation, which was not the lowest, the reasons for the decision will be recorded in the minutes of the governors' meeting.
- 3.4.7 A single tender action form will be used if multiple proposals are not sought from the market. A single tender action is only permitted when:
- A. Specialist expertise or product is required and is only available from one supplier;
 - B. The goods/services to be provided consist of parts for/repairs to existing proprietary equipment, where such parts/repairs are specific to that equipment;
 - C. Works, supplies or services are urgently needed for the immediate protection of life or property or to maintain the immediate functioning of the school;
 - D. The service is essential to complete a project and arises as a consequence of a recently completed contract/assignment, where engaging a different supplier for the additional service would be inappropriate/not cost effective; or
 - E. The funding/grant provider has specifically stipulated that a particular supplier or procurement procedure be complied with for the goods/services that are being procured.
 - F. In all the above cases, a business case must be approved using the LBTH pro forma (Appendix B)
- 3.4.8 All orders in excess of £10,000 will be referred to the Resource Committee for approval.
- 3.4.9 All orders in excess of £20,000 will be referred to the Governing Body for approval.
- 3.4.10 An operating lease is the only type of lease the school will enter into. The school will not roll over leases (i.e. settle a lease part way through the minimum term and refinance the settlement value under the new lease). The length of the lease will not exceed the expected useful life of the equipment. The school will seek the advice of Tower Hamlets before entering into a lease.

3.4 Virements

- 3.4.1 The Headteacher may authorise virements of up to £10,000.
- 3.4.2 Virements in excess of £10,000 will be authorised by the Resources Committee who will, in turn, report to full governors through the minutes of the Resources Committee meetings.
- 3.4.3 Virements in excess of £20,000 will be authorised by the Governing Body.

3.4.4 When virements are carried out, a Virement Form will be completed by the SBM and countersigned by the Headteacher, Chair of Governors or Chair of Resources Committee as appropriate.

3.5 Payments of Invoices

3.5.1 The Finance Officer will effect payment following the school's ordering procedure.

3.5.2 BACS will be used to pay supplier invoices. This also applies to staff expense claims

3.4.3 The deliveries are checked by a member of the admin team on delivery. The delivery note, where available, is marked to confirm that the goods have been received.

3.4.4 Payments are made against invoices after goods or services have been received using local records to confirm that:

- o payment has not already been made
- o prices agree with catalogue prices
- o VAT is correct
- o Invoice is correctly coded and discounts have been taken where available.

3.4.5 The Finance Officer prepares the invoice for payment and raises a BACS payment as preferred method of payment, requiring approval from two signatories to allow upload to Bankline and authorisation in Bankline by one signatory. (see Appendix C – Bacs Procedures)

3.4.6 Cheque payments can still be used in certain circumstances or if BACS payments are not feasible. Two from the three signatories sign it to authorise the payment. To ensure separation of duties, the Finance Office and one SBM is not an authorised signatory.

3.6 Expenses

3.6.1 All claims for expenses will be supported by completed expense forms and receipts and submitted weekly. (No petty cash is kept on the premises.)

3.6.2 Expense forms will be authorised by the appropriate budget holder and countersigned by the Headteacher or Deputy Headteacher.

3.6.3 Repayment for expenses will be made by Bacs and the bank details used will be taken from the staff member's payroll record.

3.7 Income

3.7.1 The Headteacher is responsible to the Governing Body for accounting for all other income due to the school in addition to income received from the local authority.

3.7.2 The SBM is responsible for identifying sums due to the school and ensuring such sums are collected, this may be delegated to the admin team as appropriate. Where invoices are required they are issued promptly by the Finance Officer.

3.7.3 The Office Manager is responsible for ensuring all monies are regularly banked. The Governing Body have agreed that a maximum of £500 to be held in the safe at any one time. From time to time there may be higher amounts held in the safe due to numerous income types coming in at one time e.g. school funds, collections, but every effort will be made to bank funds in a timely manner.

- 3.7.4 The school is aiming to be fully cashless through the use of ParentPay. The school is issuing new parent accounts and assisting with individual account setups. Reports from the ParentPay systems are used to aid income reconciliation on the school bank account.
- 3.7.5 All cash and cheques are kept locked in a safe environment and key holders are restricted to the Headteacher, SBM, Office Manager and Resource Manager.
- 3.7.6 The office will issue receipts for all cash received for sales of parking permits and any other sales over the value of £20. Receipts will be issued through a receipt book.
- 3.7.7 All income is reconciled as part of the month end reports and bank statements are signed to the Headteacher.

4. Payroll

- 4.1 All personnel changes are carried out in accordance with the arrangements set out in the pay policy. The SBM completes and checks all documents relating to appointments, terminations, and other personnel changes and processes these in the HR system. The Headteacher authorises these changes.
- 4.2 The school's payroll provider sends the school monthly financial reports showing all payments to employees. These are checked by the SBM against school records and checked against salaries profiles in SBS budgeting software, queries are raised and resolved with the payroll provider before the payroll is authorised to be paid. The Headteacher and SBM will sign the payroll report to verify that it has been checked and is correct. The Headteacher and SBM receive a copy of the final monthly payroll report from the payroll provider.
- 4.3 When a member of staff works additional hours, they must submit an overtime form clearly stating the hours for which they are claiming and the reasons why. They must sign the form, which will be checked by the admin team to verify hours worked. The SBM will then process in the payroll system and also countersign the form to confirm that it has been actioned for payment. The headteacher will then countersign a summary sheet of all claims authorising payments.
- 4.4 All payroll transactions are processed through the payroll system.

5. Internal Controls

- 5.1 The financial systems and procedures used in the school are found to be in 'The LBTH School Financial Procedures Manual July 2015. The school has separated duties as far as is possible.
- 5.2 The Finance Officer processes the invoices, records the process in RM Finance, and raises BACS payment or cheques. To ensure separation of duties, the Finance Officer and one SBM is not an authorised signatory and cannot authorise payments in Bankline.
- 5.3 The Finance Office and SBM will check the supplier bank details are correct against the payment pending report and invoice.
- 5.4 The school ensures that any change of supplier bank details is valid, by contacting the supplier independently and directly and confirming the change.
- 5.5 All orders require two signatories for approval, by the Budget holder and a member of SLT.

- 5.6 The Headteacher, Deputy Head and one SBM are signatories for payment. BACS payments require two approvals for payment and one signatory to authorise payment on Bankline. Cheques require two signatories.
- 5.7 Income received is counted by the Office Manager/Resources Manager in the presence of a second member of staff. Both members of staff sign the bank income sheet to confirm this has taken place.
- 5.8 All payments and income is reconciled monthly by the Finance Officer on RM Finance against the bank statement.
- 5.9 All accounting records are filed carefully and comply with the LBTH advice concerning destruction of records.
- 5.10 All financial transactions will be traceable through the local records. Any alteration to original documents will be in ink and signed; correcting fluid or eraser will not be used.
- 5.11 The only staff to have input access to the computer based local records is the Headteacher and SBM and Admin team. Access levels to add/edit/view are unique to users relevant to the role.
- 5.12 The Head and SBMs meet on a monthly basis to review the budget and cash flow forecasts, to ensure that budget profiles are monitored and assessed.

6. Asset Control

- 6.1 The Headteacher is responsible to the Governing Body for the safe custody and control of cash and other property belonging to the school. The Headteacher ensures that stocks are maintained at reasonable levels.
- 6.2 The stock records serve as an inventory of portable items greater than £100 in value, or less if it is a portable item deemed appropriate for marking. i.e. digital camera. The items are marked with school postcode and name and recorded in the Asset Register.
- 6.3 An annual asset check will be initiated by the Head/Deputy and presented to the Governing Body.
- 6.4 The asset register will be available for inspection.
- 6.5 Items are only taken off the school site with the permission of the Headteacher. A register of loans is maintained by the IT department and Headteacher.
- 6.6 Write-offs and disposal of surplus stocks and equipment are done in accordance with LBTH, DFE or EU regulations and are authorised by the Head.

7. Insurance

- 7.1 The insurance for the school is arranged by the Insurance Manager, Insurance Section at LBTH.
- 7.2 The governors decide on a yearly basis whether to purchase additional insurance for sickness and maternity cover, using data from a balance of risks and long-term staff sickness.
- 7.3 Any new risk would be notified to the Insurance Manager by the Headteacher.
- 7.4 The school will inform the Insurance Manager immediately of any losses or incidents, which give rise to an insurance claim.
- 7.5 The school will not give any indemnity to a third party without the written consent of the insurers, LBTH, DFE or their agents.

- 7.6 The insurance policy covers the use of school property when off the premises except when visibly left in cars or locked or unlocked or in an unlocked boot.
- 7.7 The policy will cover the value of upto £500 to be held on site in the safe.

8. Gift Register

- 8.1 Records of gifts over the value of £20 from third parties to members of the Governing Body or staff are maintained in a Gift Register and presented to the Resources Committee annually.

Section C

Scheme of delegation

A. Powers and duties reserved for the full Governing Body

The full Governing Body of the School consists of:

<i>Linda Ewers- Chair of Governors</i>	<i>Jennie Bird- Co-opted Governor</i>
<i>Shoma Pervin - Joint Vice Chair/Parent Governor</i>	<i>Aimee Lee- Co-opted Governor</i>
<i>Ros Coffey -Joint Vice Chair/Co-opted Governir</i>	<i>Julius Grenier- Co-opted Governor</i>
<i>Edith Philipsen- Headteacher</i>	<i>Louisa Beringer- Staff Governor</i>
<i>Abdul Hassan- Parent Governor</i>	<i>1 vacancy</i>

and is responsible for approving a written scheme of delegation of its financial powers and duties to its Finance Committee and the Headteacher. The scheme will satisfy the Full Governing Body's ultimate responsibility for ensuring that there are adequate operational controls in place for all the financial processes within the school.

The Scheme of Delegation will be reviewed and approved on an annual basis or whenever significant changes need to be recorded. The approval and presentation will be formally minuted and the documents attached to and certified as the same as the minutes.

Budgets/Budgetary Control

- A1. The Full Governing Body will formally approve (and minute the approval of) the school's budget plan annually. A copy of the plan, certified by the Head and Chair of Governors, will be submitted to the Tower Hamlets Schools Finance by the specified deadline. The Full Governing Body will ensure that when arriving at the Budget plan the long term School's Development Plan has been taken into consideration and that links between the two documents are well established.
- A2. The Full Governing Body will receive and consider on quarterly basis a year-end forecast report to monitor the school's financial position. This report and discussions around it will be recorded in minutes.
- A3. The Full Governing Body will receive and consider budgetary control reports at every meeting from the Finance Committee with relevant explanations and documentation where required. The receipt of such reports/documents will be minuted and copies of the documents signed by the Chair.
- A4. All virements in excess of £20,000 between or within budget headings will be approved, authorised and minuted by the Full Governing Body. Details of all virements, approved and authorised by the Finance Committee are to be formally notified to the Full Governing Body who will minute the notification.
- A5. The Governing Body should ensure that the school has in place adequate internal controls and governance procedures which meet the DfE Finance Management Standards. The Governing Body is responsible for making sure that the school meets the DfE SFVS at the

latest by end February or according to the local authority timetable.

- A6. The Governing Body is responsible for ensuring internal control to confirm effective financial controls are in place and particularly noting any inadequate controls / weaknesses found in the financial controls.
- A7. The Full Governing Body will enter into operational leasing/contract hire arrangements provided that the Schools Finance Team, is satisfied that the method of finance is appropriate for the asset concerned, and that the best terms available have been secured. The Finance Committee will ensure that the resulting charges can be met within the budget for the current and future years. (Note: Schools are not permitted to enter into any financial leases, i.e. when the lease ends, ownership of the asset will not be transferred to the school.)

Chair's Action

- A8. In the event of Urgency Powers being invoked by the Chairman, this will be recorded in writing and reported to the next meeting of the Full Governing Body.

Contracts

- A9. Tenders can only be accepted by the full Governing Body who shall minute the reasons for their decision.
- A10. The full Governing Body will ensure maintenance of a Register of Business Interests for all governors and those school staff involved in the shortlisting or awarding of contracts.

Write-off of debts

- A11. The full Governing Body will authorise the write-off of debts above £2,500 after informing the Schools Finance Team. Debts in excess of £5,000 may only be written off after consultation with the Children's Schools Finance & Families Director. The Full Governing Body should keep a record of all write-offs.

Lettings

- A12. The full Governing Body will receive, consider and approve the Lettings Policy for the school. The full Governing Body should also consider and agree the scale of charges for lettings. Both shall be reviewed and approved on an annual basis.

Disposal of Assets

- A13. The full Governing Body will authorise the sale or disposal of individual items of stock and equipment, originally purchased from revenue funding, that have become surplus to requirements, unusable or obsolete with a realisable value of £1,000. Where the original purchase value is not available, the current market value should be used. Agreement of the Director of Children, Schools & Families will be sought to write off in excess of £10,000.

Voluntary Funds

- A14. The full Governing Body will receive and consider the independently audited accounts of all the school's voluntary funds either each autumn term to cover the previous year ending 31st August or each summer term to cover the previous year ending 31st March. This item will be recorded in the minutes of the meeting.

B. Powers and duties delegated to the Resources Committee of the Governing Body

The Resources Committee shall be responsible for:

General

- B1. Exercising the powers and duties of the full Governing Body in respect of the financial administration of the school, except for those items specifically reserved for the full Governing Body and those delegated to the Headteacher, or those delegated to other staff by the Headteacher.
- B2. Reporting on all decisions taken under delegated powers to the next meeting of the full Governing Body.

Budgets/Budgetary Control

- B3. Considering budgetary control reports on the school's financial position at every meeting, take appropriate action to contain expenditure within the budget and report to the Full Governing Body.
- B4. The Resources Committee will have freedom to vire sums between and within budget heads as authorised by the Full Governing Body, subject to a limit of £20,000. Details of all virements approved and authorised by the Headteacher are to be formally notified to the Resources Committee who shall minute the notification.
- B5. The Resources Committee will be responsible for reporting to the Full Governing Body all significant financial matters and any actual or potential overspending.
- B6. Submitting a draft budget plan to the Full Governing Body for approval and certification before being sent to the Schools Finance Team.

Contracts

- B7. Exercising the powers and duties of the Full Governing Body relating to contracts, except for those items specifically reserved for the Full Governing Body and those delegated to the Headteacher, without reference to the Full Governing Body.

Write-off of debts

- B9. The Resources committee will propose the write-off of debts between £250 and £2500 and will notify the Full Governing Body of any write-offs.

Lettings

- B10. At least once a year the Resources committee will review all fees and charges, in relation to lettings, and propose to the Full Governing body any changes it considers appropriate.

Insurances

- B11. The Resources Committee will be responsible for making arrangements for any insurance cover it considers necessary in liaison with the Council's Insurance Department.

Disposal of Assets

- B12. Ensuring that there are annual independent checks of stock and inventory records, in accordance with the requirements of the Schools Finance Manual.
- B13. The Resources Committee will be responsible for authorising the disposal of individual items

of equipment and materials that have become surplus to requirements, unusable or obsolete. All such authorisations must be in accordance with the Schools Financial Procedures Manual and be formally reported and minuted at the full Governing Body meeting.

- B14. Authorising when (if at all) school property may be removed from the premises otherwise than for educational purposes.

Voluntary Funds

- B15. The Resources Committee will have responsibility for ensuring that all voluntary funds are properly administered and audited annually under the requirements of the Schools Financial Procedures Manual. Voluntary funds must be reported annually to the full Governing Body.

C. Financial powers and duties delegated to the Headteacher

Delegation of Headteacher's Responsibilities

The Schools Standards and Framework Act 1998 permits a governing body of a school to delegate some of its financial responsibilities to the Headteacher in recognition of the practicalities of running a school. Similarly, the Headteacher may allow some of his/her responsibilities to be exercised by other members of staff, subject to written approval by the governing body, although he/she will remain accountable for the actions of these staff.

The Deputy Headteacher is authorised to act under this scheme in absence of the Headteacher.

The Headteacher shall report all decisions taken under delegated powers to the next meeting of the Full Governing Body. (Schools Standards and Framework Act 1998).

The Headteacher shall be responsible for:

Accounts

- C1. The operation of financial processes within the school, ensuring that adequate operational controls are in place and that the principles of internal control are maintained.
- C2. Ensuring that full, accurate and up to date records are maintained in order to provide financial and statistical information and that the figures have been reconciled with the school's bank account.
- C3. Consulting the Schools Finance Team whenever a change of financial system or accounting package is considered.
- C4. Ensuring that all records and documents are available for audit and arrange for the required accommodation of the auditors.
- C5. Maintaining proper records of accounts in accordance with arrangements approved by the Schools Finance team.
- C6. Providing the Schools Finance Team with monthly/ quarterly financial returns.

Budgets/Budgetary Control

- C7. Regular monitoring of expenditure and income against the approved budget and submitting quarterly year-end forecast reports for approval of the Full Governing Body and for submission to Schools Finance Team. Any actual or potential overspending will be identified.
- C8. Preparing an annual budget plan for consideration by the Schools Finance Team before the start of the relevant financial year.
- C9. The Headteacher may vire between and within budget headings up to a value of £10,000, although this must be formally reported and minuted at the following Resources Committee meeting

Contracts

- C10. Exercising the following powers and duties of the Full Governing Body in respect of Contracts.
 - a) Ensuring that all contracts and agreements conform with Schools Financial Regulations
 - b) Acceptance of quotations up to £10,000 in value.
 - c) Receipt and custody of all tenders.

- d) Authorisation of senior members of staff to open tenders.
- e) Signing contracts on behalf of the Full Governing Body.

Income

- C11. Ensuring the arrangements for collection of income are in accordance with the School Finance Procedures Manual
- C12. Ensuring that all income is accurately accounted for and is promptly collected and banked intact.
- C13. Informing the full Governing Body about any uncollected income and possible write off up to £250.

Information and communication systems

- C14. Ensuring that the standards of control for such systems in operation within the school include the use of properly licensed software, and that the security and privacy of data are in accordance with the Data Protection Act 2018 and the Freedom of Information Act 2000.
- C15. Consulting with the Data Protection Officer in respect of the introduction of any new information and communication system, or the development of an existing system.

Insurances

- C16. Notifying the Council's Insurance Officer on any eventuality that could affect the Council's insurance arrangements.

Lettings

- C17. Varying lettings charges if/when it is considered necessary. The Finance and Resources Committee shall be informed of any variation to the agreed scale of charges.

Orders for goods, works and services

- C18. Ensuring that arrangements for the ordering of goods, works and services are in accordance with the School Finance Procedures Manual.
- C19. Authorising members of staff to order or receive goods and certify invoices for payment, ensuring the appropriate division of these duties between the staff. A record must be maintained of such authorisations.

Payments

- C20. Ensuring the arrangements for processing payments are in accordance with the School Finance procedures Manual.
- C21. Ensuring that all correct invoices are duly certified by authorised staff before payments are made.
- C22. Ensuring that invoices, vouchers and other records are retained and stored in a secure way and are readily available for inspection by authorised persons.

Salaries, Wages and Pensions

- C23. The arrangements for processing salaries, wages and pensions are in accordance with the School Finance Procedures Manual.
- C24. Notifying the Payroll provider of any matters affecting payments to employees of the school.
- C25. Authorising members of staff to certify pay documents and time records, maintaining a

record including specimen signatures of such authorised staff and sending a copy to the Payroll provider.

Security of Assets

- C26. Ensuring the arrangements for security of assets are in accordance with School Financial Procedures Manual.
- C27. Ensuring that proper security is maintained at all times for all buildings, furniture, equipment, vehicles, stocks, stores, cash, information and records etc under his/her control.
- C31. Maintaining an inventory, in accordance with the instructions in the School Finance Procedures Manual, of all items of furniture, equipment, vehicles and plant. The inventory record shall be a permanent and continuous record.
- C32. Where appropriate, arranging for the security marking or such items.
- C33. Arranging for annual independent checks and certification of stock and inventory records.
- C34. Identifying write-off of any deficiencies of individual stock and inventory items with original purchase values up to £250. Where the original purchase value is not available, the current market value should be used. All such write offs should be in accordance with the School Finance Procedures Manual and be formally minuted and reported to the Finance and Resources Sub-committee.
- C35. Authorisation, in accordance with the instructions in the School Finance Procedures Manual, of the disposal of individual items of equipment and materials that have become surplus to requirements, unusable or obsolete with a realisable value of less than £250. All such authorisations should be formally reported and minuted at the following Finance Committee meeting.
- C36. Ensuring that keys to safes and other similar receptacles are held under the close personal security of responsible staff at all times.

D. Financial powers and duties delegated to the School Business Manager

Members of staff with delegated responsibilities should be aware that these must be exercised in accordance with the Schools Financial Procedures Manual.

The following responsibilities are delegated to the school's School Business Manager unless otherwise stated.

Accounts

- D1. Operation of financial processes within the school, ensuring that adequate operational controls are in place, and that the principles of internal control are maintained in accordance with the School's Financial Regulations.
- D2. Ensuring that full, accurate and up to date records and documents are maintained in order to provide financial and statistical information and that the figures have been reconciled with the School's bank account.

Audit

- D3. Ensuring that all records and documents are available for audit.

Banking Arrangements

- D4. Maintaining proper records of accounts in accordance with arrangements approved by the Schools Finance Team.
- D5. Providing monthly/quarterly financial return to the Schools Finance Monitoring Team promptly.

Budget/Budgetary Control

- D6. Notifying the Schools Finance Team of variations in the school's budget plan.
- D7. The School Business Manager will also process any other virements notified to him/her as authorised by the Full Governing Body, Finance Committee or the Headteacher. Proper records of virements should be kept.

Contracts

- D8. Ensuring that all contracts and agreements conform with the Schools Financial Procedures Manual.
- D9. The following members of staff, in addition to the Headteacher, are authorised to open tenders in the presence of another authorised person:
 - Deputy Headteacher
 - School Business manager

Income

- D10. Maintaining a record of all income held in the school and ensuring that all income is accurately accounted for, promptly collected and banked intact.
- D11. Ensuring that cheques received are cashed promptly.
- D12. Ensuring that all receipt forms, books, tickets and other such items shall be ordered and issued in a form approved by the authorised officer.

Information and communication systems

D13. The designated Systems Manager shall be responsible for the control of systems and for the security and privacy of data.

Lettings

D14. Ensuring the correct administration and authorisation of lettings.

Orders for goods, works and services

D15. The following members of staff, in addition to the Headteacher are authorised to issue (sign) orders for goods, works and services as specified:

Staff	Types of Order
Deputy Headteacher	All
Budget Holders	For goods for that department's use, subject to there being sufficient provision within the departmental budget.

All orders must be processed via the Finance Officer who shall be responsible for the safe custody and proper use of official orders, maintaining a record of order books in use and marking orders appropriately when they have been paid.

Payments

D16. The following members of staff, in addition to the Headteacher, are authorised to receive goods:

- Deputy Headteacher
- School Business Manager
- Finance Officer
- Office Manager & Admin Staff
- Premises Manager

D17. In addition to Headteacher, the following members of staff are authorised to certify payments:

- Deputy Headteacher
- School Business Manager

D18. Ensuring that invoices, vouchers and other records are retained and stored in a secure way.

Salaries and Wages

D19. Notifying the Payroll Provider of any matters affecting payments to employees of the school.

D20. The following members of staff, in addition to the Headteacher, are authorised to certify pay documents and time records (excluding documents relating to themselves):

- Deputy Headteacher
- School Business Manager

Security of Assets

- D21. Responsibility for the receipt, care and safe custody and issue of stocks and stores.
- D22. Maintaining an inventory, in accordance with the instructions in the School Financial Procedures Manual, of all items of furniture, equipment, vehicles and plant. The inventory record, whether manual or computerised, shall be a permanent and continuous record.
- D23. Where appropriate, arranging for the security marking of such items.
- D24. Maintaining a record (Loans Book) in accordance with the instructions in the School's Financial Procedures, of all school property removed from the premises. Where the use is for other than school business, the Finance Officer shall ensure the approval of the Finance Committee.
- D25. Ensuring that maximum limits of cash held do not exceed the School's insurance cover.

Section D

Appendices

Appendix 1 Purchase order process

The official Stepney Park Primary School Purchase Order Request Form is saved in the Shared Staff Drive in the Templates folder, Admin Templates

Staff should ask the admin team to place orders for them, using the Purchase Order request form to indicate what they would like.

INTENDED PURCHASE DETAILS – Please save a copy of the blank Purchase Order form and pre-complete with details of your intended purchase, detailing company name, items codes, prices and description.

BUDGET HOLDER SIGNATURE - Staff can print and get the subject budget holders authorisation for their intended purchase. If the budget holder is the Headteacher or Deputy Headteachers, this signature request will be done by the admin team in bulk at then end of the day

COUNTERSIGNATURE - Admin will give all the days PO request forms in bulk at the end of the day for countersigning by the Headteacher or Deputy Headteachers

Staff then need to hand in the form to Shelema or a member of the admin team who will assign the next available PO number.

Admin will place the order after the budget holder signature and countersignature have been completed. Orders must NOT be placed by staff before the PO has been assigned and both signatures received for an order request.

The admin team will check the delivery on arrival and arrange for delivery/collection of the items to you.

Admin Process

The PO List document will be saved in the Shared Drives/SPPS Admin folder/Purchase Order folder

When staff hand in the for, please use the PO list tab on this document to assign the next available PO number.

Admin will populate the PO List tab with some key facts from the intended PO

Admin will give all the days PO request forms in bulk at the end of the day for signing and countersigning by HT/DHs

Michelle will enter the order in RM Finance as a commitment.

Admin will scan the PO form to maintain an electronic record and will keep the hard copy in a folder in the office.

This will be used to check off deliveries on arrival and match invoices for payment. Please retain delivery notes etc with original PO form

Michelle will make invoice payments

Nepa/Kathy will check invoice payments/BACS run

Edith/Geri will approve BACS run in Bankline

Appendix 2 Single Tender Action

SINGLE TENDER ACTION

Requestor:		Date:	
Department:		Ext No:	
Supplier Name:			
Nature of Purchase: (details of goods / services to be purchased)			
Total Value of Contract/Order (incl. VAT)			
Engagement Terms one off purchase, 1 day/wk. for 4 wks., 4 weeks etc.)			
Reason(s) this supplier was selected:			
Which type of Value for Money is applicable (tick):	<input type="checkbox"/> Cost Avoidance	<input type="checkbox"/> Cost Saving	<input type="checkbox"/> Improved Service
	<input type="checkbox"/> New Service	<input type="checkbox"/> Increased Service Cover	
PLEASE INDICATE WHICH OF THE FOLLOWING REASONS JUSTIFIES THE WAIVER AND GIVE FULL DETAILS EXPLAINING WHY:			
Reasons for Waiver:		Details:	
a) Specialist expertise or product is required and is only available from one supplier.			
b) The goods/services to be provided consist parts for/repairs to existing proprietary equipment, where such			

parts/repairs are specific to that equipment.	
c) Works, supplies or services are urgently needed for the immediate protection of life or property, or to maintain the immediate functioning the school.	
d) The service is essential to complete a project and arises as a consequence of a recently completed contract/assignment, where engaging a different supplier for the additional service would be inappropriate/not cost effective.	
e) The funding/grant provider has specifically stipulated that a particular supplier or procurement procedure be complied with for the goods/services that are being procured.	

APPROVAL		
Applicant (sign)	School Business Manager (sign)	Finance Committee / Governing Body (sign)
Name (print)	Name (print)	Name (print)
Date :	Date :	Date :

Appendix 3 BACs process

Bacs should be used wherever possible as it provides a more secure method of payment and reduces the risk of fraud.

The following BACS procedures will be followed by Stepney Park Primary School staff:

- The same procedures should be followed as described when placing orders and invoices. Cheque payments may apply in some circumstances.
- All invoices must include valid and up to date bank details and the Finance Officer/SBM (Payers) are required to maintain accurate records of supplier details.
- Should the school be informed of a change of bank details it is the responsibility of the Finance Officer/SBM to ensure that the change is valid. To prevent fraud this should be done by contacting the supplier directly and confirming the change. Do not use the contact details contained in the notification, but independently obtain the supplier contact details to confirm any change.
- Once batches of invoices have been processed by the Finance Officer and a BACS Payments Pending Report (PPR) has been printed from the finance system the PPR will be attached to the invoices.
- The PPR and the attached invoices will be checked by the SBM and this will then be given to the Headteacher and Deputy headteacher to separately check and approve the payments.
- Only after the PPR has been approved by both the Headteacher and Deputy Head, the BACS export file will be created which will prompt the system to create 'Email remittance slips' which are emailed directly to suppliers from the system. These slips will be saved to the secure area of the Finance drive.
- Then BACS export file is created via the finance system with an anticipated date for payment on Bankline.
- The finance system will automatically generate a unique BACS reference number for each supplier invoice group and this is noted next to each transaction line stated on the PPR
- The BACS file generated by the finance system is saved to a secure path file. The Finance Officer/SBM/Headteacher only have access to the import files. The Finance Officer will then access Bankline and upload the BACS file securely. For each import made a reference number is generated.
- The SBM will confirm that the PPR from the finance system and the BACS payments report from Bankline is true and accurate and will confirm this by signing the PPR. This will be passed onto the Headteacher/Deputy Headteacher (Authorisers) who will spot check payments and also confirm by signing the PPR
- The Headteacher/Deputy Headteacher (authorisers) will then login to Bankline securely via the smart card reader and the online page will show bulk transactions awaiting approval.
- Authorisers must ensure that once the bulk transactions totals have been checked, against the PPR, they can release the BACS payment in Bankline. This is the equivalent of signing a cheque payment.
- Authorisers need to release the payments within the deadline payment date. If this is not released within date, the bulk payments will show as expired, The BACS payments report from Bankline will also be signed by the authoriser.
- Email remittance slips are emailed directly to the suppliers by the Finance Officer
- All documentation is filed in the Finance office