



## **SCHOOL FINANCE POLICY**

### **Roles and Responsibilities (Finance)**

#### **Governing Body**

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

- Observance of other financial provisions issued by the LA (e.g. Schools Finance Manual, Final Accounts procedures, and so on)
- Safeguarding of funds (including maximisation of interest income, cash and bank account controls and so on).
- Financial management and probity within the school.
- Establishing and recording the responsibilities delegated to the Headteacher.
- Managing the funding available to the school, for instance:
  - Considering, reviewing and approving the school budget to reflect the policies and principles established in the School Improvement Plan.
  - Establishing / recording the authority and limits for virement, together with the reporting/recording arrangements.
  - Ensuring that there is a suitable budget management / control system in place.
  - Monitoring arrangements and requiring explanations for any variations to budget.
  - Taking corrective action to bring spend in line with budget
- Establishing the timing and type of reports required by the Governing Body.
- Taking appropriate action whenever they become aware that something is unsatisfactory, seeking advice from the Schools Finance Manager as appropriate.
- Providing financial information to the Schools Finance Manager as and when required.
- Ensuring an inventory is maintained
- Ensuring that Value for Money can be demonstrated including following correct procurement procedures

- Paying invoices and collecting debt promptly (including debt write-off procedures)
- Ensuring the school is compliant with the Schools Financial Value Standard (SFVS)
- Taking appropriate action in response to concerns raised by the LA
- Compilation / approval of business / financial plans to support credit union loan applications / community facilities
- Adherence to VAT & PAYE guidelines
- Ensure that staff have access to Public Interest Disclosure Policy
- Complete a competency assessment and address training needs
- Determine staff complement and approve Whole School Pay Policy (in accordance with School Teachers Pay & Conditions)

### **Headteacher**

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

The Head teacher is responsible for the delegated budget

In addition the Headteacher should:

- Observe financial regulations / provisions in the FFSD and other LA publications (e.g. Schools Finance Manual)
- Establish and record the responsibilities to be delegated to the Finance / Admin Staff and Budget Holders.
- Ensure that staff with delegated finance responsibilities receive adequate training to ensure they can fulfil those responsibilities
- Establish systems to ensure staff are fully protected
- Complete a competency assessment for staff with financial responsibilities and ensure training needs are addressed
- Leads & manages the development of strategic financial plans
- Researches and analyses strategic choices and recommends those most likely to achieve the schools goals and objectives
- Have a clear understanding of good financial management practices and the school's performance compared to it

### **SBM**

The Headteacher delegates responsibility for the day to day financial management of the school to the SBM and finance staff. The SBM is responsible for:

- Understanding and undertaking budget setting activities (in collaboration with SFO)
- Understands and undertakes budget monitoring activities

- Communicates the schools performance to stakeholders includes governors and parents
- Pursues income generation opportunities when required
- Demonstrates personal commitment and qualities required for financial management e.g. undertaking regular training
- Has a clear understanding of framework of financial control
- Controls and monitors financial systems e.g. ensuring segregation of duties and good financial practice
- Ensures Value for Money
- Maintaining assets plan (premises)
- Bank reconciliations incl BACS payments
- Monitoring payroll
- VAT returns
- Managing unofficial funds & Diocesan accounts

### **Finance Staff**

Operate under delegated power from Headteacher, and are accountable to the SBM, Headteacher and Governors. Responsibilities include:

- Provide the day-to-day operation of economic, efficient, effective, timely, financial and administrative processes using finance management system
- Support budget holders by providing advice and information as and when required
- Administer the day-to-day operation of the Schools Information Management system for example:
  - Purchasing & ensuring orders placed correctly
  - Ensures Value for Money maintained
  - Receipt of income
  - Banking cash & cheque payments
  - Petty cash holdings & payments
  - Maintaining school inventory
  - payment of invoices (subject to segregation of duties) incl payment by BACS
  - Collection of debts & issuing invoices
- Ensure that SIMS data is up-to-date, holistic and has integrity.
- Report any issues that might have an impact on the integrity of data on SIMS to Headteacher at the earliest opportunity

### Delegated Authority

Area	Authorised Individual	Authorised Limit	Frequency of approval
Annual setting of the School Budget	Full Governing Body or sub-committee thereof	Cannot delegate	Each year
Virements	Headteacher/SBM	Limit approved by Governors but cannot exceed £13,000	As and when – virements below limit should be approved by Governors retrospectively (termly)
Ordering	Budgetholder	To limit of budget for which they have responsibility	Yearly as part of the budget setting process
Invoice Payment	Head Teacher/SBM	Budget allocation	
BACS	Head/Deputy (in their absence SBM)	Budget allocation	
Debt write-off (part of Debtors policy)	Headteacher Governors	HT – up to £500 Governors – up to £5,000 Amounts over £5,000 must be approved by Local Authority	Upon policy review
Disposal of Assets (write-off / sale)	Governors		As and when required

Purchasing Procedure	Order Value
At the discretion of the Governing body	Up to £10,000
At least five written quotations (two of which should be local, if possible)	£10,001 to £50,000
Competitive tenders process which must be advertised. Minimum of 5 tenders	£50,001 to threshold
Advert in OJEU and procedures defined in the Public Contract Regulations 2015.	Threshold & above

## **Other specific Finance Policies**

The school should include the following finance policies as appendices, and indicate how frequently they are re-approved.

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

### **Fair Funding Scheme of Delegation**

This document sets out the financial relationship between schools and the Local Authority. This document is available within the school as well as being available on the Coventry Learning Gateway ([www.coventry.gov.uk/ downloads/ download/ 3436/ fair\\_funding\\_scheme\\_of\\_delegation](http://www.coventry.gov.uk/downloads/download/3436/fair_funding_scheme_of_delegation))

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

### **Communication to staff**

Information about the Fair Funding Scheme of Delegation and School Finance policies are disseminated to staff through staff meetings.

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

The interview process is attended by the School Finance Officer and a member of the Resource and Management Committee.

### **Service Level Agreements**

Service Level Agreements are approved by Head Teacher & the R&M committee.

Approved Date: Autumn 2025

Review Date: Autumn 2026