



Finance Policy

Hayward's Primary School



Written by:	Devon County Council (Based on 2021 update)	Signed:
Approved by Governors:	Summer 2023	
Next review due by:	Summer 2024	

FINANCE POLICY

The smooth running of the school is dependent upon a development plan supported by carefully considered budgetary planning. This policy aims to set out the layers of responsibility involved in setting the school's budget. We aim to ensure that the school's budget is spent in such a way as to get maximum value for money.

This statement sets out the Governors' policy on the management of finances within the school. It applies to all funds delegated or devolved within the provisions of the Schools Standards and Framework Act 1998.

1. The Governors have overall responsibility for securing the efficient and effective administration of the school and its resources. Accordingly, the Governors regard proper control of the school finances as being of utmost importance. The Governors have acknowledged and adopted the principles of good practice contained within these County Council documents for the School's financial management:
 - Scheme for Financing Schools (<https://www.devon.gov.uk/supportforschools/finance/policy-and-manuals>)
 - Schools Finance Manual (<https://www.devon.gov.uk/supportforschools/finance/policy-and-manuals>)
 - Code of Business Conduct (part 5 of the Council's Constitution which includes financial regulations, contract procedure rules and procedures for contracts and tenders)
<https://democracy.devon.gov.uk/ieListDocuments.aspx?CId=416&MId=2487&Ver=4&info=1>
2. All staff involved in financial transactions are required to be fully aware of and to comply with these requirements.
3. There are two main strands to this:-
 - Operational Control over spending and income collection
 - Monitoring and control of the budget
4. The Headteacher is accountable to the Governors for the exercise of delegated authority and in turn staff are accountable through their line management to the Headteacher. Staff must not exceed their delegated authority, which must only be exercised within the above framework of overarching rules and school policies, and will be held accountable for their decisions and actions. Any matter of financial consequence shall be drawn to the attention of the Governing body in a timely manner.
5. All financial dealings are to be conducted
 - in a framework of openness, thereby allowing proper scrutiny and evaluation and
 - with absolute integrity and regard for the good reputation of the school.
6. Proposals for the deployment of financial resources shall be properly supported and each proposal shall demonstrate Best Value and its sustainability in the light of the resources likely to be available.
7. The regular comparison of spending against budget is intended to highlight those areas where the budget is under pressure to enable effective remedial management action and to identify those areas where resources may be released to further un-resourced elements within the School Development Plan. This process should take place at two levels
 - Formal reporting to Governors
 - Ongoing internal monitoring
8. The Governors regard the passage of timely and accurate information as being central to the success of their policy. The Headteacher is responsible for putting suitable arrangements in place to ensure the financial data within school are both up-to-date and accurate so that any member of staff responsible for control of a budget can have an

accurate position statement upon request. Internal monitoring is to take place not less frequently than monthly. Separate statements for each fund are required.

9. The staff identified as budget holders within this document are responsible for controlling those aspects of the budget and ensuring that the Headteacher is kept fully informed of spending against budget.
10. The Headteacher is responsible for ensuring regular monitoring of all budget lines and formal reporting to Governors. Formal reports with explanatory commentaries including information about changes in non-financial data (e.g. pupil numbers) are required to be circulated no less than 7 days in advance of the relevant meeting. It is essential that the forecast year-end position together with the implications for at least the next two years is kept under ongoing review.
11. Where routine budget monitoring reveals budgetary pressures requiring urgent attention which cannot await the next programmed meeting, the Headteacher shall notify the Chair of the Governors and Finance Portfolio Lead with a view to a meeting being convened.

The tables below set out the delegated authority and responsibilities of individuals, together with the frequencies at which tasks and reports must be completed.

SCHOOL STATEMENT ON BEST VALUE

The Governors of Hayward's Primary School (DfES No: 878 / 2012) are committed to achieving Best Value in all decisions made. We use the principles of Best Value as they apply to securing continuous improvement by:

- **Challenge** – Regularly reviewing how and why the services of the school are provided and setting targets and performance indicators for improvement
- **Compare** – Monitoring outcomes and performance of similar services with other schools and within the school
- **Consult** – With appropriate stakeholders before major decisions are made
- **Compete** – Through quotations and tenders to ensure that goods and services are secured in the most efficient and effective way.

We strive to ensure that the school is using its resources effectively to meet the needs of our pupils.

We will submit our Best Value Statement with the Annual Budget Plan. The progress of the Annual Budget Plan and the Best Value Statement will be monitored with the school's improvement plan in order to determine the extent of continuous improvement.

- The school has in place a strategy and a set of guidelines, updated annually, which will ensure that Best Value will be reviewed and demonstrated.

This year we aim to focus on:

- **Educational 'Best Value' and comparing the value added to pupils' performance:** The ASP data will be used to compare and contrast children within school with national benchmarking. Although baseline assessments are not standardised nationally, this system enables the school to judge:
 - the extent of the value added and whether it is good enough, compared with other schools, as each child progresses;
 - the relative performance of different classes and teachers in particular year groups;
 - whether results in reading, writing and mathematics are better or worse than one another; and

- the extent to which high, middle and low ability pupils are making acceptable progress.
- **The school environment** There will be an emphasis within the School Improvement Plan this financial year to improve the environment of the school. Quotes from several contractors will be taken in all occurrences in line with DCC policies. A plan of development through least-cost greatest-yield will be put into force.
- **Resources:** Subject leaders have been established this year, each of whom will be making a budget request. Leaders within school are to examine areas and resources that require development. Resources are to be purchased by comparative pricing from a range of sources.
- **Financial management:** All systems and contracts within school will be reviewed and explored in detail as a cost-cutting exercise to ascertain whether the principles of Best Value are being thoroughly implemented. We are fully compliant with the Financial Management Standard in Schools.



DATA BACKUP

A full remote data back up takes place Monday to Friday evenings via the Attix backup system. The Attix backup system is monitored by Scomis.

Signed

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(Chair of Governors)

Signed

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(Headteacher)

Date

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Key to all tables

Frequency	Functions
O =Ongoing	O = Oversee
W = Weekly	S = Supervises
M = Monthly	R = Reports
H = each half term	C= Co-ordinates
T = Termly	✓ = does
Y= as soon as possible after Year-end	A =Assists as required

TABLE OF DELEGATED AUTHORITY

FINANCIAL MANAGEMENT

Function	Governors	Chair of Governors	Nominated Govs	Head teacher	Assistant HT /SENCO	School Business Manager	Clerk to Govs	Admin Assistant	Curriculum Budget Holder			Scheme for Financing Schools (SfFS)	Schools Finance Manual (SFM)
Comply with Scheme for Financing Schools	✓	✓	✓	✓	✓	✓	✓	✓	✓			2.1.1	1.2
Comply with Schools Finance Manual	✓	✓	✓	✓	✓	✓	✓	✓	✓			2.1.1	1.2
Comply with Code of Business Conduct	✓	✓	✓	✓	✓	✓	✓	✓	✓			2.1.1	1.2
Ensure separation of duties	✓			✓	A	A			A				2.1/7.2/8.3
Ensure internal controls operate correctly	✓			✓	A	✓			A				7
Ensure Governors' Policies are complied with	✓	✓	✓	✓	✓	✓	✓	✓	✓				
3 Year Development plan: updated annually													
Prepare including costings (new + next 2 yrs)				✓	A	✓S							4.3
Sets spending priorities	✓			A	A								
Approves costed items for new year budget	✓												
Review plan outcomes	✓			A	A								
Annual Revenue Budget													
Prepare				✓	A	✓							3.5
Approve	✓												4.12
Monitor	✓			✓		✓							5
Register of Business Interests [kept on school site with Minutes]	✓			✓			C					2.9	2.6 / App A
Register of List 99 Checks [kept on school site with Part 2 Minutes]	✓						✓						
Register of Declarations of Eligibility [kept on school site with Minutes]	✓						✓						
Register of Interests (staff)				O		C			✓				App A

RESPONSIBILITY FOR BUDGET MONITORING

	Governors			Headteacher		School Manager	Business	Budget Holders		Scheme	Finance Manual
	Frequency			Frequency		Frequency		Frequency			
Maintenance of records				S		✓	W				13.4
Download of Data				S		✓	W				13.4
Reconciliation of Data				S		✓	W				13.4
Updates forecasts & resource forecast model				S		✓	M				
Monitoring of budget lines/cost centres				O	M	✓	M	✓	M		
Maintain forecast of year-end position.				O		✓	M				
Initiates management action*				✓							
Prepares formal budget monitoring statement for each fund				O	H	✓	H				
Prepares commentary				✓	H	✓	M		A		
Presents updated resource forecast model				✓	H	✓	H				
Receives report	✓	H									
Initiates management action* /makes recommendations to Governors	✓										
Receives report	✓	T									
Amend Development Plan (if req)	✓										
Outturn report	✓	Y		✓	Y	✓	Y				

TABLE OF DELEGATED AUTHORITY POLICY REVIEW
Table of Responsibility for Annual Reviews (policies etc)

Function	Governors	Pay Committee	Head teacher	School Business Manager	Clerk to Govs	External Adviser	SCHEME	FINANCE MANUAL
Finance Policy								
Prepare			✓O	✓S				13.1
Recommends								
Approve	✓							
Initiate annual review					✓			
Remission of Fees and Charging Policy						8.1		
Initiates Annual review					✓		5.2	
Recommendations			✓	✓S				
Approve	✓							
Lettings Policy								
Initiates Annual review					✓			
Recommendations			✓	✓S				
Approve	✓							
Insurance review							10	
Initiates Annual review			✓	✓S	✓			App E
Recommendations			✓	✓S				
Approve	✓+							
Governors' Expenses								
Initiates Annual review					✓		11.3	
Recommendations	✓							
Approve	✓							
Business Continuity Plan								

Initiates Annual review					✓			
Recommendations			✓	A				
Approve	✓							
Personnel: Headteacher's Performance								
Initiates Annual review					✓			
Recommendations		✓				✓		
Approve	✓							
Personnel: annual review of staff salaries								
Initiates Annual review			✓					
Recommendations		✓	✓					
Approve	✓							
Income								
Determine policy for advancing credit	✓		A					8.4
Purchase of Services (Buybacks & SLAs)							8.1/8.2	
Initiates review				✓				
Recommendations			✓	A				
Approve	✓+							
Appointment of Internal Auditors							2.6	
Initiates review				✓				19.1
Recommendations			✓					5.21.1
Approve	✓+							
Gifts & Hospitality Register								2.7
Maintains Register	✓			✓				App D

+ completed as part of Budget Acceptance by Full Governing Body

++ delegated decisions are minuted by FGB

TABLE OF DELEGATED AUTHORITY

FINANCIAL ADMINISTRATION

Spending Decisions	Governing Body	Chair of Governors	Headteacher	Assistant Headteacher	School Business Manager	Finance Assistant	Premises Manager	Budget Holder	Scheme for Financing Schools	Schools Finance Manual
Payroll									2.1.3	10
Authorise appointment of staff/contracts		✓(HT)	✓							
Authorise payroll forms (including additional hours, expense claims, absence etc)		✓(HT)	✓	✓	✓					
Purchasing / Procurement									2.10	6
Oral/written quotations (see table below for values)			✓	✓	✓		✓	✓		6.4
Formal written quotations (see table below for values)			✓	✓	✓		✓	✓		6.4
Acceptance of quotations (insert values)	✓£10000		✓£5000		✓					6.3
Prepare tender documentation			✓		A					
Receive tenders			✓		A					
Open tenders (nominated Governors and staff)	✓		✓		✓					
Evaluate tenders (nominated Governors and staff)	✓		✓		✓			✓		
Appoint successful contractor / supplier	✓									
Requisitioning and ordering										6
Raising requisitions			✓	✓	✓	✓	✓	✓		
Approving requisitions (insert value)	✓£5000		✓£3000	✓	✓					
Raising official orders via FMS					✓	✓				6.9
Signing official orders (insert value)			✓£3000	✓	✓					6.12
Receiving goods/services					✓	✓	✓	✓		
Payments									2.1.3	
Verify invoices for approval to pay			✓	✓	✓	✓	✓	✓		6.16
Approval of invoices			✓	✓	✓					6.14

Process payments through FMS					✓	✓				
Authorise payment control listing					✓					
Authorise SCRAPS payment batch			✓	✓						6.18
Transmit SCRAPS batch					✓	✓				6.18
Petty Cash (including card expenditure)										11
Authorise individual reimbursement claims (insert value)			✓£250	✓£150	✓£150					11.4
Monthly claim and reconciliation					✓	A				11.7
Approval on monthly claim and reconciliation			✓							
Procurement/Purchasing Cards										11
Nominated card holders (see table below for values)			✓£1000		✓£1000					
Approval of card expenditure			✓	✓	✓					11.4
Income								5		8
Cash and cheque receipting					✓	✓				8.5
Preparation of cash and cheque banking					✓	✓				8.7
Management of online cash collection system (SchoolComms)					✓	✓				
Internal invoicing					✓					
Raising form for external invoicing					✓					8.4
Processing and reconciling all income in FMS					✓					8.8
Approve writes off (values – refer to Finance Manual)	✓		✓						2.1.6	8.9
Budgetary Adjustments / Virements									2.5	
Authorise virements (insert values)	✓£2000		✓£1000							5.5
Processing					✓					

The Governors require that all purchasing decisions are made after adequate market testing or research. Quotations and tenders as appropriate are required as shown below.

A note of verbal quotes for lower value items should be made and retained.

Estimated value of goods or services	Number of quotes required
Above £1000-£2,500 [£5,000 for works]	2 oral quotations [including copies of leaflets]
Above £2,500 (£5000 for works) and up to £10,000	3 written quotations
Above £10,000 and up to £100,000	3 formal written quotations submitted by a specified date and time and based on a written specification and evaluation criteria (referred hereafter as "formal quotation")
Above £100,000 and up to EU thresholds	4 formal written tenders
Over EU thresholds	Submit tenders in accordance with the requirements of the Public Contract Regulations

From 1 January 2020 the sterling equivalent of EU thresholds (net of VAT) are £189,330 for supplies and services, £4,733,252 for works and £663,540 for contracts falling within the light-touch regime and £4,733,252 for concession contracts.

Asset protection	Governing Body	Headteacher	School Business Manager	Finance Assistant	Data Protection Officer	Staff	Scheme	Finance Manual
Security of property and assets	✓	✓	✓				2.1.4	16
Security of cash and cheques		✓	✓	✓				8.6
Data Protection Registration		✓	✓		✓			18
Compliance with Data Protection Act and GDPR	✓	✓	✓	✓	✓	✓		18
Security of all School data	✓	✓	✓	✓	✓	✓		18
Maintain back up of all School data		✓	✓					18
Maintenance of assets register / inventories			✓	✓		✓	2.1.4	Ann 2
Annual physical check of items			✓	✓		✓		16.3
Annual certification of record		✓						
Write off of assets (insert values)	✓£5000	✓£1000					5.4	16.5