



## **FINANCIAL MANAGEMENT POLICY**

This is an overall policy document that sets out how the Governing Body will run the financial affairs of the school with the Headteacher.

A further document entitled “Kettlethorpe High School - School Financial Procedures” provides details of the operation of the day-to-day affairs of the school undertaken by the Headteacher and staff.

The structure of this policy is summarised below:

- Introduction.
- Governing Body (Legislation).
- Services provided by the Local Authority (LA).
- Committee Structure
- Delegated responsibilities of the Headteacher, Senior Leadership Team (SLT), and Finance Manager (Associate member of the SLT).
- Senior Staff Salaries.

### **1. Introduction**

- 1.1** The overall policy of the Governing Body is to operate in a regime of openness and honesty where its objectives are clearly stated.
- 1.2** Similarly, the finances of the school will be run to the highest standards of accountability and stewardship to meet its educational objectives within its delegated budget. To this end it will aim to maximise the use of its delegated budget together with any other sources of income or grant to deliver the School Development Plan.

## **2. Governing Body (Legislation)**

- 2.1** The Schools Standards and Framework Act 1998 (Fair Funding) places a statutory responsibility on the Governing Body for all aspects of running the school, including its financial affairs.
- 2.2** To enable it to fulfil its role effectively the Governing Body has delegated some of its strategic responsibilities to Committees of Governors. The present Committee structure is summarised in section 4 of this document.  
The day-to-day management of the school is delegated to the Headteacher and senior members of the school's staff. The extent of these delegated powers is set out in section 5 of this document.
- 2.3** In addition, to ensure the financial affairs of the school are properly controlled in line with current best practice and guidance, the Governing Body and Headteacher have adopted the financial procedures referred to earlier in this document (Page 1, Paragraph 2).

## **3. Services Provided by the Local Authority**

- 3.1** The Governing Body can choose whether to procure certain services from the LA or their third-party partner Engie (or appointed sub-contractors), usually at agreed prices. These may take the form of formal contracts, Service Level Agreements (SLA's) or buy-back arrangements and currently run for periods of between one and five years. Listed below are the key services currently available for purchase together with an indication of whether the school currently \* buys into these services or not (Y/N).  
The list is not exhaustive. Some low-cost services have been omitted.

- Employee Insurance (Y)
- Buildings Compliance (Y)
- Cleaning of Buildings (Y)
- Refuse Collection (Y)
- Grounds Maintenance (Y)
- Premises Insurance (Y)
- School Meals (Y)
- Music Tuition (Y)
- Payments & Controls (Y)
- HR & Payroll (Y)
- Accountancy Services (N)
- Governing Bodies Clerking & Training Service (Y)
- School Improvement Services (Y)
- Education Psychology Services (Y)

*\* In this regard, "currently" refers to Financial Year 01 April 2021 – 31 March 2022.*

#### **4. Committee Structure and Terms of Reference of Committees**

**4.1** In order to ensure it has a manageable workload, and as indicated in section 2 (2.2), the Governing Body has delegated certain responsibilities to Committees, Working Groups and Panels as follows:

- Standards & Pupils Committee
- Resources Committee (including Personnel and Pay) \*
- Headteacher Performance Management Working Group
- Complaints, Personnel Appeals & Pupil Discipline Committee
- Joint Committee
- Appointment Selection Panels

*\* The overall purpose and latest Terms of Reference are appended to this document (Appendix A)*

## **5. Delegated Responsibilities of the Headteacher, SLT and Finance Manager.**

### **5.1 Headteacher**

- Have day-to-day responsibility for managing the school including financial and staffing matters in accordance with the Wakefield Scheme for Financing Schools, subject to regular reporting to the Governing Body.
- Working with the Governing Body and appointed Committees in the financial management of the school.
- The Headteacher will be able to authorize all expenditure approved within the delegated budget. He/she will have delegated responsibility to commit the school to expenditure up to an agreed level of £10,000 if this does not exceed the overall expenditure within the delegated budget. For operational reasons, exam fees, utility charges, contracts and SLAs are exempt from the agreed limit of £10,000.
- Amounts above £10,000 will be reported to the Resources Committee up to the agreed maximum of £75,000. In such instances, and in accordance with the Wakefield Scheme for Financing Schools, three written quotations should be obtained. Where such action has been necessary the amount involved and an explanation should be provided to the next meeting of the full Governing Body.
- For expenditure more than £75,000 a formal tendering procedure should be followed.
- Financial management of the school fund including regular reporting to the Governing Body. The Headteacher will be able to authorize all expenditure if this does not exceed the overall fund balance.
- Amounts above £20,000 will be reported to the Resources Committee.
- Ensuring the annual audit of the school fund income and expenditure account and balance sheet is carried out by competent auditors and is reported to the Governing Body. A copy of the audit certificate is sent promptly to the LEA.
- Allocate financial duties to appropriate staff bearing in mind that there is adequate division of duties between members of staff to provide appropriate levels of internal check e.g., one person should not be able to order and receive goods and services and pay the invoice without the knowledge of someone else at the school.

### **5.2 SLT**

- Responsibility for control of appropriate elements of the school's budget (e.g., capitation).
- Work closely with the Headteacher in agreeing the planned expenditure for the coming year in respect of all aspects of the delegated budget.

### 5.3 Finance Manager

- Maintain the school's income and expenditure on the LEA's Financial Information System (Agresso).
- Monitor monthly actual income and expenditure against the delegated budget agreed with the LEA and keep the Headteacher apprised of any significant anticipated or known variances to budget.
- Oversee the financial procedures of the school to ensure they operate in accordance with the Wakefield Scheme for Financing Schools and any delegated responsibility required by the Governing Body in the operation of those procedures.
- Provide the LEA with the information and returns they require to fulfil their responsibilities in respect of financial accounting, systems, and procedures.
- Responsibility for the security of all cash and cheques, chequebooks, and other financial stationery.
- Ensuring adequate arrangements for the security of all assets of the school.
- Ensuring the security of all information held on the school's computer systems and in compliance with the Data Protection Act.
- Maintain the school's Asset Register based on the location inventory system.
- Provide the necessary advice on security of assets and arrange an independent annual check of a sample of items on the location inventories.

## **6. Senior Staff Salaries**

**6.1** Schools must publish the number of employees who have a gross annual salary of £100,000 or more and this information is contained in the table below.

<b>Salary Band (£)</b>	<b>No of Employees</b>
<b>100,000 - 109,999</b>	
<b>110,000 - 119,999</b>	
<b>120,000 - 129,999</b>	
<b>130,000 - 139,999</b>	
<b>140,000 - 149,999</b>	<b>1</b>
<b>150,000 - 159,999</b>	
<b>160,000 - 169,999</b>	