

# FINANCIAL MANAGEMENT POLICY

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Reviewed: March 2024

Next to be reviewed: March 2025

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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 Robertsons (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 (N)
- Refuse Collection (Y)
- Grounds Maintenance (Y)
- Premises Insurance (Y)
- School Meals (N)
- 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 2023 – 31 March 2024.*

### 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 of the Resources Committee 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.

Salary Band (£)	No of Employees
100,000 - 109,999	
110,000 - 119,999	
120,000 - 129,999	
130,000 - 139,999	1
140,000 - 149,999	
150,000 - 159,999	
160,000 - 169,999	
170,000 - 179,999	
180,000 - 189,999	
190,000 - 199,999	

(Signed) \_\_\_\_\_ Dated \_\_\_\_\_

(Headteacher)

(Signed) \_\_\_\_\_ Dated \_\_\_\_\_

(Chair of Governing Body)

(Signed) \_\_\_\_\_ Dated \_\_\_\_\_

(Chair of Resources Committee of the Governing Body)

(Signed) \_\_\_\_\_ Dated \_\_\_\_\_

(Finance Manager)

**Frequency of revision/approval:** Annual.

**Last revision:** Tudor Griffiths (Headteacher) / John Cookson (Finance Manager) 08/03/2024.

**Last approval:** Resources Committee 18/03/2024 / Full Governing Body 18/03/2024.

**Next revision due:** Approx December 2024 (to inform meeting nearest to January 2025).

**Next approval due:** January 2025 (or nearest meetings).

## Appendix A

### RESOURCES COMMITTEE (Including the role of Personnel and Pay Implementation Committee)

*Guidance is shown in italics*

***Special requirements apply when the Committee is dealing with personnel issues relating to individuals. Please see Section E for details.***

#### **Membership**

*Perhaps 3-7 Governors including the Headteacher.*

*Perhaps the Deputy Headteacher and/or Bursar or other member of staff as non-voting observers.*

#### **Chair**

*The Chair of the Committee may be appointed by the full Governing Body, or elected by the Committee, as determined by the Governing Body.*

#### **Quorum**

*The quorum must (by Law) be 3 Governors, or a higher number of governors if the Governing Body decides this.*

*The LA recommends that the quorum should normally specify that at least one of the Governors present should not be employed at the school.*

#### **Clerk**

*The Governing Body must appoint a Clerk to the Committee, or delegate this responsibility to the Committee.*

*Meetings may be clerked by any person appointed by the full Governing Body/Committee, except for the Headteacher, who is prevented by legislation from holding this appointment.*

*Resources Committees should also not be clerked by the School Finance Officer or equivalent as his/her work on the school budget will be subject to scrutiny by this Committee.*

*At most schools, a member of the Committee acts as Clerk.*



## Overall Purpose of the Committee

The overall purpose of the Committee is to:

- monitor the school's policies relating to resources issues – finance, personnel and premises;
- report to the full Governing Body on the effectiveness of these policies and to recommend changes as appropriate;
- act as a personnel and pay Committee by making decisions on behalf of the Governing Body relating to individual members of staff, as set out in the Governing Body's personnel policies and procedures.

In carrying out all its responsibilities the Committee must act:

- in partnership with the Headteacher;
- in accordance with statutory requirements;
- in accordance with any general principles set by the full Governing Body;
- after consulting (as appropriate) staff, parents, pupils, the LA, the Diocese (at voluntary schools) and relevant organisation/agencies.

## Terms of Reference: Resources Committee

### A: FINANCE

#### Financial Management Policy

1. To draft the school's financial management policy (including financial responsibilities to be delegated to the Headteacher):
  - in accordance with the Wakefield scheme;
  - after considering relevant advice from the LA, Ofsted and DfE; and
  - after consulting the Headteacher.
2. To present the draft policy to the full Governing Body for consideration and approval.
3. To monitor implementation of the policy and to report to the full Governing Body.
4. To review the policy at least once every year and whenever relevant advice is received from the LA, Ofsted or DfE.

*School budget*

5. To draft the school budget in line with the priorities set out in the school's 3-year Development Plan (including Financial Plan).
6. To present the draft budget to the full Governing Body for consideration and approval in time to meet the LA's budget deadlines.
7. To monitor the school budget and report to the full Governing Body.
8. To monitor virements to the school budget and any other variations to the original budget above 10%; agree appropriate action to address the issues raised by the need for virement; and report them to the next meeting of the full Governing Body.
9. To monitor pupil number trends regularly to assess the effect on the delegated budget allocation.
10. To consider and to advise the Governing Body on the financial implications of adopting any policy under consideration with significant budget implications.
11. To undertake an annual review of all expenditure with a view to achieving "Best Value" in respect of the use of the delegated budget allocation. This will include a review of all contractors and suppliers to the school to ensure the existing arrangements are appropriate in line with DfE purchasing advice to schools (on the DfE web site).
12. To undertake an annual review of all sources of income received by the school to ensure fees and charges remain appropriate and in line with any increase in costs; and to monitor income received against the budget estimate as with expenditure.
13. To draft the school's policy on lettings for consideration and approval by the full Governing Body.
14. To review the school's policy on lettings (including charges) on an annual basis (and at other times as appropriate) and reports its conclusions to the full Governing Body.
15. To approve applications for use of the school premises in accordance with the policy of the Governing Body. *(The full Governing Body - but not the Committee, which cannot delegate responsibility - may wish to delegate this responsibility to the Headteacher. In such cases, the Committee should receive reports on the Headteacher's decisions).*
16. To recommend to the full Governing Body the level of financial delegation afforded to the Resources Committee and Headteacher in respect of expenditure orders and virements between budget heads.

### **Standards Fund Resources**

17. To draft proposals for the use of standards fund resources for consideration and approval by the Governing Body and to monitor progress as with the school budget.

### **School Fund (and other funds held by the Governing Body)**

18. To monitor the balance and expenditure of the school fund (and other funds held by the Governing Body) and to report on these at least annually to the full Governing Body.
19. To ensure that there is an annual audit of the school fund and of other funds held by the Governing Body, undertaken by persons independent of operating the school fund, and to ensure that the results are reported to the full Governing Body and a copy audit certificate sent to the LA. It is good practice to appoint an auditor at the beginning of the School Fund Year.

### **Compliance with Wakefield Scheme for Financing Schools**

20. To receive an annual report from the Headteacher confirming that the financial controls required to meet the requirements of the Scheme are still in place and operating as intended and to advise the Governing Body accordingly.

### **Register of Business Interests**

21. To ensure the school's Register of Business Interest is kept up-to-date.

### **Whistle Blowing Policy**

22. To draft a Whistle Blowing policy for consideration and approval by the Governing Body and to agree arrangements with the Headteacher for ensuring all staff in school are aware of its content.

## B: PERSONNEL

### **Policies and Procedures**

23. To draft personnel policies and procedures (or adapt models/samples provided by the LA), including those relating to appointment of staff, health and safety, performance management, staff pay, discipline, grievance and determining that staff should cease to work at the school; and to present them to the full Governing Body for consideration and approval.
24. To advise the full Governing Body on such policies and procedures.
25. To review the Governing Body's pay policy and the school's staffing establishment and structure on at least an annual basis, in the light of legislative changes, financial and curricular considerations and the school's development plan; and to present any proposed changes to the policy and/or staffing establishment and structure to the full Governing Body, for consideration and approval.
26. To recommend to the Governing Body the annual budget needed for pay, bearing in mind the need to ensure the availability of resources to support any discretionary decisions; and to recommend that the Governing Body makes application for any additional funding available to support this process.
27. To review all other personnel policies and procedures on a regular basis (and at other times as appropriate) and report its conclusions to the full Governing Body.

## C: PREMISES

### **Repairs and maintenance**

28. To monitor the condition of the school premises.
29. To draw up and implement a repairs and maintenance programme within the budget set by the full Governing Body and in accordance with the priorities of the school's development plan.
30. To make recommendations to the full Governing Body on the requirements for the annual repairs and maintenance programme.
31. To monitor the repairs and maintenance budget.

### **Improvements and new developments**

32. To consider options for building improvements and/or new developments within the needs and priorities identified in the Asset Management Plan.
33. To make recommendations to the full Governing Body for spending the school's annual devolved capital funding.

## D: CONTRIBUTION TO SCHOOL SELF-REVIEW

34. To review on an annual basis, in partnership with the Headteacher, how far the requirements outlined in Part C of the Self Evaluation Form (SEF) in relation to resources issues are being met and to report this review to the full Governing Body.
35. To ensure that the SEF reflects the results of this review.
36. To recommend to the full Governing Body priorities relating to resources issues for inclusion in the School Development Plan.

## E: ROLE AS A PERSONNEL AND PAY IMPLEMENTATION COMMITTEE

### **Implementation of the Governing Body's Personnel Policies and Procedures**

***Special requirements apply when the Committee is dealing with personnel issues relating to individuals. Therefore, when carrying out responsibilities 37-40, the following requirements and guidance apply:***

#### **Membership**

Only three members of the Resources Committee should meet in these circumstances, to maximise the availability of Governors for any appeal.

*These should **either** be named by the full Governing Body (plus a reserve) **or** be chosen from the membership of the Resources/ Committee in alphabetical rotation beginning with "A", subject to eligibility and availability.*

*The Headteacher should not act as a member of the Committee, although he/she may attend meetings to give advice or to present his/her case to the Committee.*

*Employees at the school should not act as members of the Committee in these circumstances.*

#### **Quorum**

*The LA recommends that the quorum is the minimum allowed in law, i.e., a quorum of 3, except that, where the Committee is considering whether to determine that staff should cease to work at the school and it is not reasonably practicable for the Committee to include 3 Governors, the quorum should be 2.*

#### **Clerk**

*The Governing Body must appoint a Clerk to the Committee or delegate this responsibility to the Committee.*

Meetings may be clerked by any person appointed by the full Governing Body/Committee, except for the Headteacher (who is prevented by legislation from holding this appointment) or any person employed at the school.

*A Governor may act as Clerk, but the LA recommends that the Clerk should not be a member of the Committee unless the nominated Clerk is unable to attend.*

*If the Committee is considering whether a member of staff should cease to work at the school and the LA is advising the Committee, a LA officer normally acts as Clerk.*

## **Responsibilities**

37. To carry out the Governing Body's responsibilities in implementing its policies and procedures for determining staff pay (including the annual review of teachers' salaries each September), considering cases of staff discipline, or grievance, and determining that staff should cease to work at the school.
38. To implement the policies of the Governing Body in a fair and equal manner.
39. To observe all statutory and contractual obligations.
40. To minute clearly the reasons for all decisions and report these decisions to the next meeting of the full Governing Body.