



# ALSTON MOOR FEDERATION

## POLICY FOR FINANCIAL DELEGATION

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The purpose of this document is to indicate the areas of responsibility held and delegated by the Governing Body. The overall aim is to establish a clear, efficient and effective system of financial management and to clarify the roles and responsibilities involved.

The Headteacher has overall executive responsibility for the day-to-day financial management of the school. The Governing body (or Finance Committee if applicable) has a Terms of Reference which defines the extent of its delegated authority. The Governing Body is aware of the Cumbria LA Scheme for Financing Schools which is adopted by the Governing Body and covered in governor induction training.

It should normally be the case that, in addition to all Governors, a copy be given to each person named in the document and that there be a copy available, in the care of the Headteacher, so that other members of staff who wish to view it may do so. The contents of this document should be subject to an annual review by the governing body. The review should be evidenced in meeting minutes and the 'delegation policy' signed and dated.

Accordingly the Governing Body have made the following decisions with regard to the delegation of powers and responsibilities:

Area of Responsibility	Level of Responsibility			
	Governing Body	Finance Committee	Headteacher	Other Staff Member
<b>Financial Management</b>				
Ensure the school has written financial procedures that sets out how specific tasks are completed.			✓	
Approve the school's financial procedures manual annually or when there is a change of key staff.		✓		
Ensure the school's compliance with the Department	✓		✓	

of Education (DfE) Schools Financial Value Standard (SFVS).				
To review the school's SFVS self-assessment and the action plan drawn up to address issues identified, as required.		✓		

Area of Responsibility	Governing Body	Finance Committee	Headteacher	Other Staff Member
Approve the school's whistleblowing, anti-fraud and corruption policies and pay policies. Ensure that these are reviewed by the governing body on an annual basis	✓			
Maintain a register of business interests for all governors and relevant staff. And ensure that this is maintained up-to-date and published on the school's website.				Clerk to Governing Body- H. Parradine
Ensure that financial updates are brought to the attention of the Finance Committee / Governing Body on a regular and timely basis (at least 6 times per year for financial monitoring reports).			✓	
To consider all relevant financial updates and advise the Governing Body of any issues affecting the school's financial administration.		✓		
<b>Annual Budget Plan</b>				
Prepare the school's draft annual budget based on the agreed objectives of the school as set out in the improvement plan for consideration by governors.			✓	J. Clements
Consider the draft school budget, links to the school's costed school improvement plan, key issues and the proposal of the balanced budget for the year for the approval of the Governing Body.		✓	✓	
Approve the school's annual budget and, if applicable, the deficit recovery plan.	✓			
Undertake benchmarking exercises on an annual basis with reference to the SFVS dashboard data for review by the Finance Committee.			✓	

Area of Responsibility	Governing Body	Finance Committee	Headteacher	Other Staff Member
Consider the benchmarking work undertaken by the school and propose changes, as required, to ensure that the school budget achieves value for money.	✓	✓		
<b>Budget Monitoring and Control</b>				
Approve virements between budget headings. Movements above this value to be referred to the Finance Committee before being undertaken.			Up to £5K	
Approve virements between budget headings. Virements in excess of this amount to be approved by the Governing Body.		£15K		
Approve virements between budget headings in excess of the delegation to the Finance Committee.	Above £15K			
Monitor and control expenditure against the budget during the financial year, including preparation and approval of reports for the Finance Committee and Governing Body.			✓	
Reconciliation of school financial records to LA information.				J. Clements
<b>Orders for Goods and Services</b>				
The authority for the signing of official orders for the purchase of goods and services other than by the Headteacher. (Note named individual for ordering, receipting and approval of invoice for payment should not all be the same. Should be at least 2 people to provide adequate segregation as fraud prevention measure).				P. Seaton Up to £1K

Area of Responsibility	Governing Body	Finance Committee	Headteacher	Other Staff Member
Control the placing of orders for the purchase of all goods and services, up to a value of £10K. For amounts above £10K prior agreement of governing body must be obtained and a member of the Governing Body must countersign orders above that amount.			✓ (Between £0 and £10K)	
Approve orders for all goods and services (taking into consideration <a href="#">CCC Contract Regulations</a> and other purchasing guidance provided by the Local Authority).	Over £20K	Between £10K and £20K		
Checking goods and services received for quality, quantity and price.				P. Seaton
<b>Payment for Goods and Services</b>				
Certifying payments for goods and services.			✓	
Maintain a list of named school payment cardholders.				P. Seaton
Cardholder responsible for reviewing and recording transactions and VAT in the RBS Smart Data Online System (non-chequebook schools only).				P. Seaton
Review and sign-off monthly payment card reports produced by the SDOL system (non-chequebook schools only).			✓	
The use of BACs for payments has dual authentication levels set up and payments are made in accordance with those authentication levels (chequebook schools only).			✓	P. Seaton
<b>Income</b>				
Draw up proposed charges for the various areas of school income, including lettings, music tuition and school meals, on an annual basis.		✓	✓	P. Seaton

Area of Responsibility	Governing Body	Finance Committee	Headteacher	Other Staff Member
Approve the annual review of charges for the various areas of school income (the approval to be formally recorded in the Governing Body minutes).	✓			
The control and collection of cash.				D. Smith
The preparation of receipts for banking.				D. Smith
Ensure the security of monies held on site.			✓	P. Seaton
Authorise the write-off of debts, after all steps and efforts have been made to recover the debt	✓			
<b>School Fund Account</b>				
Appoint an auditor and treasurer to the School Fund Account.	✓			
Ensure that an annual return or audit certificate is completed for every private, voluntary or trading account controlled by the Governing Body.		✓ (both apply)	✓ (both apply)	
The preparation of cheques for payment of goods and services.				P. Seaton
Approve a list of authorised signatories against the School Fund Account(s) list appended to this document.	✓			
<b>Banking Arrangements</b>				
Open bank accounts and approve or vary signatures thereto, taking into consideration the restrictions set out in the Scheme for Financing Schools and any effect that this may have on the way the annual budget is advanced to the school.	✓			

Area of Responsibility	Governing Body	Finance Committee	Headteacher	Other Staff Member
The signing of cheques/payments for more than £500 and reimbursements to the Headteacher. NB the school should always ensure that the cheque signatory has no connection to the cheque payee.				Two of the four names signatories
The signing of cheques/payments for less than £500 and reimbursements to the Headteacher (where the school has more than two authorised signatories).				Two of the four names signatories
The control and reconciliation of the school's bank accounts for consideration by the school's Headteacher.				J. Clements
Approve the bank reconciliation on a monthly basis.			✓	
<b>Petty Cash</b>				
Agree, with the Governing Body, an appropriate amount of petty cash to be held, currently £250, and the periodic check of completeness of financial records.	✓ (both apply)		✓ (both apply)	
The maintenance of accounting records, the security and regular reconciliation of petty cash.				P. Seaton
<b>Staffing and Payroll</b>				
Review the staff structure of the school [FREQUENCY, e.g. biennially].			✓	
Periodically reconcile gross pay with contracts and other authorised documents.			✓	
Authorise all employee-related expenses to be paid through payroll (e.g. employees' overtime, special allowances, travel expenses, etc).			✓	
Preparing/certifying prime documents and claims relating to the appointment, dismissal and payment of	✓	✓	✓	

employees.				
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Area of Responsibility	Governing Body	Finance Committee	Headteacher	Other Staff Member
Review monthly payroll report and certify payments.			✓	
Approve all payments made to the Headteacher personally, i.e. reimbursement of payments for goods / services purchases on behalf of the school and / or personal expenses incurred, e.g. travel expenses. (Refer also to the banking arrangements section above.)		✓		
<b>Procurement of Contracts</b>				
Ensure that quotes are obtained for purchases and contracts in accordance with the minimum requirements set out in the CCC Contract Regulations – see details below:			✓	
Ensure that at least two oral quotations are obtained (confirmed in writing where the quotation exceeds £500) for contracts valued up to £10,000.			✓	P. Seaton
Goods and services with a value of £10,001 up to £20,000 are subject to three written quotations/tenders requiring approval from the Finance Committee and must be on an Official Order/Contract		✓	✓	
Goods and services valued at £20,000 and over are subject to full tender. These will require the full Governing Body's Approval	✓			
Ensure open advertisement of contract appropriate to the relevant market for contracts exceeding £100,000 but below relevant public contracts regulations threshold.	✓			
Ensure that public procurement regulations are applied for all contracts over the public contracts regulations threshold.	✓			

Maintain a register of all contracts and significant purchases including all operating leases.			✓	P. Seaton
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Area of Responsibility	Governing Body	Finance Committee	Headteacher	Other Staff Member
<b>Financial Reporting to the Authority</b>				
The preparation of the year-end accounts and other returns required by the Local Authority for consideration by the Headteacher.				J. Clements
In conjunction with the Chair of Governors, the governing body approve all year-end accounts and any financial returns required by the Local Authority.	✓ (both apply)		✓ (both apply)	
Advising the S151 Officer of significant financial decisions to be considered by the governing body, any suspected fraud or theft and any financial irregularities.			✓	
<b>Internal Audit Reports</b>				
Produce a formal response to any Internal Audit reports and an action plan showing how the recommendations will be implemented, by whom and by when.			✓	
Ensure that the recommendations agreed by the school have been implemented.	✓ (or finance committee)	✓		
<b>Security of Assets</b>				
Ensure the physical security of the school's assets, and maintain and periodically inspect an up to date inventory/asset register.			✓	
Administering and controlling inventories and stores.				P.Seaton/G. Osborne –
Authorise items for disposal above a residual value of:	✓ above £500		✓ below £500	
Maintain a list of keyholders.				P. Seaton

Area of Responsibility	Governing Body	Finance Committee	Headteacher	Other Staff Member
<b>Insurance</b>				
Arranging insurance cover for the school.			✓	P. Seaton
Undertake an assessment of risk management for insurance purposes at the school.		✓		
<b>Security and non-disclosure of Confidential data</b>				
Ensure that the school complies with the requirements of GDPR and the Data Protection Act 1998.			✓	
Ensure that the school's Data Protection registration is renewed annually with the Information Commissioners Office.	✓			
The setting up and maintenance of access profiles for system users and the production and security of back-ups e.g. cloud based.			✓	H. Parradine
<b>Retention of Accounting Records</b>				
The retention, secure storage and disposal of accounting records in accordance with both legal and Local Authority requirements.				P. Seaton
The maintenance of full financial records for all accounts.				P. Seaton

Authorised \_\_\_\_\_ (Chair of the Governors) Date \_\_\_\_\_

The authorised signatories for the School Fund Account are:

Name	Post	Signature
<b>GILLIAN JACKSON</b>	<b>HEADTEACHER</b>	
<b>KATHERINE BAINBRIDGE</b>	<b>DEPUTY HEADTEACHER</b>	

<b>NATALIE HEWETT</b>	<b>CHAIR OF GOVERNORS</b>	
<b>PAMELA SEATON</b>	<b>BUSINESS MANAGER</b>	

**Monitoring Arrangements**

This policy will be reviewed every year by the Governing Board.

<b>Version Control</b>	
Created by:	
Approved by:	Full Governing Body
Date approved on:	
Next review due by:	