

# Wadebridge School



## FINANCE POLICY & SCHEME OF DELEGATION MARCH 2024

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Author	Chris Wilson
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## **APPENDICES**

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- Appendix 4 - Risk Register. *This is a working document and is regularly updated.*
- Appendix 5 - Acceptance of Gifts and Hospitality Policy
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- Appendix 9 - Charging Policy
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- Appendix 12 – Anti Theft and Fraud Policy

Other key documents available on request:-

Detailed Financial processes and procedures – *Continual update process as changes take place within school and ESFA instructions to Academies, available to Trustees on request*

Funding Agreement - *ESFA Document – held on file at school*

Academy Trust Handbook – *ESFA document – available on ESFA website*

<https://www.gov.uk/guidance/academies-financial-handbook>

# **1 INTRODUCTION**

Wadebridge School converted to an Academy Trust in April 2012 and as such is accountable directly to the Secretary of State, a company limited by guarantee and an exempt charity (Academies Act 2010).

The relationship between Wadebridge School and the Secretary of State is set out in a legal document known as a Funding Agreement (FA). The Academy Trust Handbook (ATH) contains information on the duties and obligations of Academy Trusts (ATs) arising from that FA and this Finance Policy expands on that and provides detailed information on Wadebridge School's financial management, accounting procedures and systems. This policy should be read and adhered to by all staff and Trustees involved with the Academy's financial systems and processes, thus ensuring that we meet the requirements of our funding agreement with the Department for Education.

Wadebridge School is required to:

- take full control of its own financial affairs.
- comply with the principles of financial control outlined in the ATH.
- produce audited annual company accounts in line with the annually updated Education and Skills Funding Agency (ESFA) Accounts Direction (issued no later than three months prior to the end of the financial year to which it relates), reporting to a year-end of 31st August.
- as a Charity, maintain accounting records and provide publicly accessible accounts in line with the Statement of Recommended Practice (SORP) for Charities.
- publish accounts (as required under the appropriate ESFA Accounts Direction and provide a copy to anyone who requests it, as a condition of its charitable status.
- ensure regularity, propriety and value for money in the management of public funds.

## **1.1 ACRONYMS USED WITHIN THIS DOCUMENT**

DfE	Department for Education
ESFA	Education and Skills Funding Agency
AT	Academy Trust
ATH	Academy Trust Handbook
FA	Funding Agreement
CFO	Chief Finance Officer (Business Manager, Finance)
RO	Responsible Officer (independent body)
AMS	Asset Management System
FMS	Financial Management System (Capita SIMS)

## **2 FINANCIAL MANAGEMENT STRUCTURE AND OVERVIEW**

### **2.1 General**

The Financial Management of the School shall be operated under:

- the terms of the Academy Funding Agreement
- the requirements of the current Academy Trust Handbook (ATH) published by the ESFA
- current legislation
- the requirements of this Finance Policy/Scheme of Delegation

*All Trustees and those staff who are involved in the financial processes of the school are required to be conversant with the current publication of the ATH and Finance Policy/Scheme of Delegation.*

The Headteacher shall not have authority to deal with financial matters otherwise than in accordance with the Finance Policy/Scheme of Delegation. Also, the Headteacher shall not have authority to take any action which would contravene, or be likely to cause trustees to contravene current legislation, the Academy Funding Agreement or Education and Skills Funding Agency (ESFA) requirements.

The Headteacher may delegate to her/his Deputy or Business Manager the authority for them either to make appropriate financial decisions in her/his absence but only within the limits allowed for the Headteacher.

Where action is urgently required in circumstances where the Headteacher (or the Deputy in the absence of the Headteacher) does not have delegated responsibility to act, then the Headteacher or his/her Deputy must obtain specific authorisation for appropriate action from the Chair or Vice Chair of Trustees or their authorised deputies. Each such authorisation should be reported to the next meeting of Trustees.

The Headteacher shall have delegated authority to expend resources from within the budget duly approved by the trustees provided that such expenditure does not:-

- involve a change in or extension to the trustees' existing policies and/or service objectives;
- involve a net increase in expenditure in future years;
- conflict with any limits/controls over income and expenditure specified by trustees;
- involve a commitment which cannot reasonably be expected to be sustained from future budgets.

### **2.2 Best Value – Economy, Efficiency and Effectiveness**

Trustees are directed to adopt the principles of Best Value to ensure 'Value for Money'.

The Headteacher shall have due regard for the achievement of economy, efficiency and effectiveness in the operation of financial management and administration, working within the principles of 'Best Value', and shall ensure that the need for this is suitably notified to all staff.

### **2.3 Raising Achievement Plan (RAP)**

The School Leadership Team will monitor and review the existing RAP throughout the year and annually redefine the plan, prioritising objectives in detail for year one and in outline for the following two years. The plan should be relatively simple and flexible and should include resource costs and success criteria against which achievement can be measured. The Headteacher will report to the Trustees on the review of the existing plan and present the new plan for approval.

The RAP is concerned with the future aims and objectives of the academy and how they are to be achieved; this includes prioritising and matching the academy's objectives and targets to the resources expected to be available.

### **2.4 Budgets**

The Trustees will agree a timetable for the budget and accounts reporting processes. (*Annual Budget Cycle Appendix 1*).

The Headteacher shall require the Business Manager to submit for determination by the Trustees, a draft budget in accordance with policies and ESFA requirements. The draft budget information shall be in a format which will both meet the requirements of both the Trustees and the ESFA.

The annual budget will reflect the best estimate of the resources available to the academy for the forthcoming year and will detail how those resources are to be utilised. There should be a clear link between the development plan objectives and the budgeted utilisation of resources.

### **2.5 Financial Planning**

In order to assist Trustees in planning appropriately for medium-term developments, the Business Manager, as directed by the Headteacher, shall submit with the draft budget, for the consideration of Trustees, a report detailing the broad financial implications of foreseeable developments for the two years following the year for which the draft budget has been prepared (subject to available financial information from the ESFA).

### **2.6 Virements**

The Headteacher may, with the approval of the Chair of Trustees, authorise the virement of funds within the approved budget provided that:-

- each such virement is within limits of £5,000 *specified* by the Trustees and the Schedule of Financial Limits (Section 4).
- is for purposes which are consistent with the School's policies and current legislation
- shall be reported to the next meeting of the Trustees for their agreement and confirmation or for amendment as appropriate.

The Headteacher shall not utilise any portion of any uncommitted surplus brought forward from one financial year to another or of any contingency provision within the budget without:-

- the approval of the Chair and Vice Chair of Trustees.

### **2.7 Budget Monitoring and Reporting**

The Headteacher shall require the Business Manager to reconcile, monitor and report to the Trustees, the progress of expenditure and income in relation to the approved school budget. . The monthly financial monitoring statement shall also be made available to the Chair and Vice Chair of Trustees each month and be on the agenda of each Full Trust Board meeting..

All company and charity reporting shall be produced as per the Accounts Direction document from the ESFA for that year. This is normally received three months before the end of the accounting period (31<sup>st</sup> August).

### **2.8 Likelihood of Budget Deficit**

The Headteacher shall inform the Chair and Vice Chair of Trustees immediately of any significant budget deficit occurring or forecasted that has not been allowed for as part of the budget setting process.

### **2.9 Explanations of Expenditure**

The Headteacher shall direct the Business Manager to provide the Trustees with such explanations as they may require in connection with expenditure from the delegated budget.

### **2.10 Legality of Commitments**

The Headteacher shall have proper regard to the legality of commitments entered into in the exercise of the delegated authority and if there is any doubt about legality, the Headteacher shall consult with the ESFA.

### **2.11 Capital Expenditure**

The Headteacher may place before Trustees, proposals for expenditure which is deemed to be capital expenditure, for their approval within the requirements of the ESFA.

### **2.12 Sale or Disposal of Fixed Assets**

The Headteacher may place before Trustees proposals for the sale or other disposal of fixed assets, but no proposal may proceed, except in accordance with requirements of the ESFA.

### **2.13 Leasing/Borrowing**

The School may not enter into any form of borrowing or credit or other financial arrangement other than routine or short-term trade credit. Finance Leases require the permission of the Secretary of State and are not advisable. Loans provided by the ESFA (for example SALIX loans) are permitted.

The school should only consider operating leasing of equipment for a short term where a cost/benefit analysis has been completed. The maximum term of the lease should be five



years for vehicles and four years for other items unless better value for money can be achieved by entering into a longer lease.

#### **2.14 Training**

The Headteacher shall make adequate arrangements for the training of staff involved in financial management and administration.

#### **2.15 Banking Arrangements**

The Headteacher shall, on behalf of the Trustees, operate any bank accounts of the school in accordance with arrangements within the Funding Agreement and the Academy Trust Handbook.

The school has the following bank accounts:

- Main School Bank Account
- School Fund Account (funded externally)
- Instant Access Savings Account

A daily sweep between the Main Bank Account and the Savings Account takes place daily at close of business in order to maximise the use of working balances.

#### **2.16 Investments**

Investment of Funds will be delegated to the Headteacher and the Business Manager under the strict guidelines and limits of the Investment Policy, *Appendix 2*, and all such investments must be reported to Trustees on a termly basis. All investments must be capital secured.

#### **2.17 Financial Information**

The Headteacher shall require the Business Manager to arrange for the production of returns and other information relating to the delegated budget which the Trustees are required to supply to the ESFA and Companies House and other organisations as and when required.

#### **2.18 Payments**

The Headteacher shall have authority, subject to the provisions of this Scheme of Delegation and Finance Policy, to make payments on behalf of Trustees from the delegated budget. In the exercise of this authority the Headteacher shall ensure that arrangements for the making of payments comply with the standards set out in the Funding Agreement, the ATH and this Scheme of Delegation and Finance Policy.

#### **2.19 Procurement and Letting of Contracts**

The Headteacher shall require the Business Manager to make suitable arrangements to ensure compliance with any code of practice for the letting of contracts adopted by the Trustees. The School will procure using the principles of Best Value, endeavour to secure value for money and will abide by all current Government procurement legislation. A Procurement Guide is under *Appendix 3*

## **2.20 Petty Cash**

The Headteacher shall require the Business Manager to make arrangements for any advance of petty cash to be operated in accordance with the standards set out in the Funding Agreement, the ATH and current legislation.

## **2.21 Income**

The Headteacher shall require the Business Manager, not less than annually, to prepare for consideration by Trustees, proposals for revising the charges which may be levied in connection with the activities (including commercial activities) of the school.

The Headteacher shall have authority to administer the school's income subject to the provisions of this Scheme of Delegation and Finance Policy. In the exercise of this authority the Headteacher shall ensure that income is administered in accordance with the standards set out in the Funding Agreement and the ATH.

## **2.22 Taxation and Other Statutory Adjustments**

The Headteacher shall direct the Business Manager to ensure that the school's financial systems produce adequate information to account properly for taxation and other statutory adjustments and that the requirements of the appropriate Government departments or agencies are satisfied in a timely fashion.

## **2.23 Audit of Accounts and Company Accounts**

The Full Trust Board must ensure that the appointed external auditors, responsible officers, tax inspectors and ESFA officers are allowed access to staff, premises and documents, as necessary. The appointment of auditors is the responsibility of Members.

The Headteacher shall make appropriate arrangements to facilitate the annual audit of the school by registered auditors in compliance with the Funding Agreement and the ATH and will, on behalf of the Trustees, ensure that audit reports are dealt with promptly. The audit report and the end of year accounts will be presented to Trustees by the auditors in November/early December before submission of the accounts to the ESFA and Companies House (submission deadline is the 31<sup>st</sup> December).

The audited accounts must be placed on the school website by the 31<sup>st</sup> January in the following year.

The Headteacher will ensure appropriate assurance to Trustees that finance systems and processes are working and being followed correctly.

Trustees shall discuss all audit and assessment reports and agree the implementation of any recommendations with the Headteacher and Business Manager.

The Trustees have Audit Committee roles and responsibilities dictated by the ESFA.

## **2.24 Irregularities**

The Headteacher (or member of staff as appropriate) shall, on behalf of Trustees, ensure that if a matter arises which may involve financial irregularity in any form, the Chair and Vice Chair shall be notified of this immediately. The Trustees should be informed as soon as practical of any irregularities and in due course decide on the necessary action, subject to professional advice from the ESFA, to rectify any findings. The Trustees shall notify the Secretary of State, via the ESFA, of any instances of fraud or theft where the value exceeds any sum notified by the ESFA or appears to be systematic.

## **2.25 Insurance**

Trustees shall ensure that complete and adequate insurance cover is in place whether that be with a traditional insurance provider or the ESFA risk protection arrangements (RPA).

## **2.26 Risk Management**

As part of their audit roles and responsibilities dictated by the ESFA, Trustees shall maintain and review regularly a Risk Register as per the requirements in the ATH. *Appendix 4*

## **2.27 Gifts and Hospitality offered by Suppliers**

Ordinarily such gifts should be rejected, unless they are of negligible value (e.g. diaries, calendars). Where this is likely to cause offence and damage the relationship with the supplier, any gifts must not be kept by the recipient but must be taken to the Business Manager's office to be used for the school charitable purposes. The Business Manager will record the gift on the register of gifts and hospitality which is available in the SLT shared area. Gifts or hospitality with a value in excess of £25 must be recorded as per the Gifts and Hospitality policy. This procedure is in order to protect the recipient. This is particularly important where the person receiving the gift is a budget holder, has the ability to influence purchasing decisions or regularly receives reimbursement from the school for items other than travel expenses. *Appendix 5, Acceptance of Gifts and Hospitality Policy.*

## **2.28 Register of Pecuniary/Business Interests**

On behalf of the Trustees the Headteacher shall maintain, when needed, a Register of Pecuniary/Business Interests relating to both senior staff and Trustees. This should be an item on all Trustee meeting agendas.

## **2.29 Other Financial Matters**

The Headteacher, shall be accountable to the Trustees for ensuring the satisfactory management and administration of the school's financial affairs and shall, supported by the Business Manager, ensure compliance with the:

- Funding Agreement
- Current legislation
- The Academy Trust Handbook
- Wadebridge School Finance Policy / Scheme of Delegation

### **2.3 Whistle-blowing**

The Trustees shall have an agreed Whistle-blowing policy to be made available to all staff in the 'shared area' and on the school website.

## **3 RESPONSIBILITIES AND ROLES WITHIN THE FINANCIAL MANAGEMENT STRUCTURE OF THE SCHOOL**

### **Responsibilities of the ESFA**

The ESFA acts as the agent of the Secretary of State within the scope of the powers and discretions formally delegated to it. The Chief Executive of the ESFA has been designated as its accounting officer. The ESFA's accounting officer is responsible and accountable to Parliament for how the ESFA uses its funds. The ESFA's accounting officer is also personally responsible for the regularity and propriety of all expenditure of its funds and for ensuring value for money in how they are used. To discharge these duties, the ESFA's accounting officer must be satisfied that Wadebridge School has appropriate arrangements for sound governance, financial management, securing value for money and accounting; and that the way Wadebridge School uses public funds is consistent with the purposes for which the funds were voted by Parliament.

### **Summary of Responsibilities of Wadebridge School Trustees and Staff**

It is important that all staff and trustees know their respective roles in relation to financial management and ensuring this level of clarity is a key leadership role. It is essential that financial responsibilities for all Academy staff involved in administering and managing the school budget are defined clearly to:

- ensure that all essential duties are performed and financial controls are exercised without unnecessary duplication of effort
- provide a framework of accountability for Trustees and staff
- prescribe the limits of each person's financial responsibilities and authority
- describe the means by which the Trustees and Headteacher are informed of financial information and decision-making.

### **Responsibilities of Trustees**

Trustees of Wadebridge School have wide responsibilities under statute and regulations, charity law and the Funding Agreement (FA). However, it is specifically responsible for ensuring that the Wadebridge School funds are used only in accordance with:

- the law
- the Board's powers under the FA (including the Academy Trust's (AT)'s articles of association which set out the powers of the AT and its governance arrangements)
- the most recent version of the Academy Trust Handbook (ATH).

The Board is ultimately responsible for the proper stewardship of the Academy's funds and for ensuring economy, efficiency and effectiveness in their use – the three key elements of value for money. It must also ensure that it uses its discretion reasonably, and takes into account any and all relevant guidance on accountability or propriety. Trustees have **collective** responsibility for financial decisions that are made in the context of how the school is run and are answerable to parents and the wider community in addition to DfE.

Legally, ATs are companies limited by guarantee and, under the terms of the Academies Act 2010, exempt charities. Most academy trustees, therefore, are subject to the duties and responsibilities of charitable trustees and company directors (ie unless any trustees are not also trustees or directors), as well as any other conditions that the Secretary of State may require. These responsibilities are mutually reinforcing and are there to ensure the proper governance and conduct of the AT. The key requirements are reflected in the FA (including the articles) and ATH published each September.

The Full Trust Board, supported by information and advice provided by the Headteacher and the Business Manager, decides the strategic direction of the school including:

- the annual review and approval of the budget and regular monitoring of the accounts throughout the year
- making strategic decisions on budget expenditure taking into account the Raising Achievement Plan and budget projections for future years.
- Driving the Risk Management assessment and strategy of the school.
- establishing the financial limits of delegated authority.
- determining the staff complement and a pay policy for the school.
- acting as a “*critical friend*” to the Headteacher by providing advice, challenge and support.
- establishing a written Performance Management Policy to govern staff “appraisal”, after making sure that all staff have been consulted.
- ensuring that all required returns are made to the DfE, Companies House and other Government bodies.

The members of the Board of Wadebridge School will also be aware of the statutory duties of company directors, which are set out in the Companies Act and include the duties to:

- exercise their powers only for a proper purpose;
- promote the company’s success;
- exercise independent judgement;
- exercise care and skill; and
- avoid conflicts of interest.

The FA sets out the respective responsibilities of Trustees and the Accounting Officer of Wadebridge School. The Accounting Officer must take personal responsibility (which must not be delegated) for assuring the board that there is compliance with the ATH, the FA and all relevant aspects of company and charitable law.

#### Responsibilities of the Accounting Officer

The Headteacher is designated by Trustees as the Accounting Officer and will conduct this role under the guidance of the Board, the ATH and other guidance linked therein.

The Accounting Officer’s responsibilities are:

- the overall organisation, management, and staffing
- procedures in financial and other matters, including conduct and discipline.
- personal responsibility to Parliament and to the Accounting Officer of the ESFA for the resources under their control.
- personal responsibility for the propriety and regularity of the public finances for which they are answerable

- responsible for the keeping of proper accounts
- for prudent and economical administration
- for the avoidance of waste and extravagance
- for ensuring value for money; and for the efficient and effective use of all the resources in their charge.
- to be able to assure Parliament and the public of high standards of probity in the management of public funds

### Finance Audit and Resources (FAR) Committee Responsibilities

All academy trusts must have a programme of internal scrutiny to provide independent assurance to the board that its financial and non-financial controls and risk management procedures are operating effectively. The FAR committee must focus on:-

- Evaluating the suitability of, and level of compliance with, financial and non-financial controls. This includes assessing whether procedures are designed effectively and efficiently, and checking whether agreed procedures have been followed
- Offering advice and insight to the board on how to address weaknesses in financial and non-financial controls, acting as a catalyst for improvement, but without diluting management's responsibility for day to day running of the trust
- Ensuring all categories of risk are being adequately identified, reported and managed.

The trust must identify on a risk-basis (with reference to its risk register) the areas it will review each year, modifying its checks accordingly. For example, this may involve greater scrutiny where procedures or systems have changed.

### Responsibilities of the Headteacher

As Accounting Officer, the Headteacher is to ensure that the financial management structure and practices meet statutory requirements under the direction of the ATH.

The Headteacher provides vision, leadership and direction for the school and ensures that it is managed and organised to meet its aims, objectives and targets, which are established by the Board. The Headteacher:

- is responsible for the internal organisation, management and control of the school
- advises on and implements the Board's strategic framework
- formulates aims and objectives, policies and targets for the Board to consider adopting
- reports on progress to the Board at least once a year
- formulates and implements the policies for leading the school to achieve the targets set
- gives the Board enough information to ensure that the Trustees are confident that delegated responsibilities and the Headteacher's responsibilities have been met
- is, along with other professional staff, accountable to the Board for the school's performance
- submits to the Board, an Annual Budget Plan as required by the ESFA

### Other activities that are delegated to the Headteacher at Wadebridge School

(\*\*\* delegated by the Headteacher to the Business Manager ):

- Leading and managing the creation of a strategic plan (the SEF/RAP, which is underpinned by sound resource planning and which identifies priorities and targets for

ensuring that pupils achieve high standards and make progress, increasing teachers' effectiveness and securing school improvement

- Ensuring that all relevant financial regulations are implemented \*\*\*
- Establishing sound internal financial controls which are managed on a daily basis by the Senior Leadership Team (SLT) and Finance Staff. \*\*\*
- Ensuring the effective implementation of current financial systems and procedures. \*\*\*
- Checking that the funds delegated by the ESFA are correct according to data provided. \*\*\*
- Compiling draft budgets to the Board and appropriate committees. \*\*\*
- Ensuring that regular reconciled budget/financial reports are produced for the Board, ESFA, Companies House and other government bodies as required\*\*\*

### Responsibilities of the Headteacher in Respect of the Management of Resources (\*\*\* delegated by the Headteacher to the Business Manager):

In resources management terms, the Headteacher ensures that resources are efficiently and effectively deployed to achieve the school's aims and objectives and at Wadebridge School is responsible for:

- Creating a productive, disciplined learning environment
- Day-to-day management, organisation and administration of the school

More specifically, the Headteacher has responsibility to:

- Meet regularly with the Business Manager to review financial information
- Obtain trustees approval for any budget virements above the agreed delegated authority level \*\*\*
- Consider and respond promptly to recommendations in school audit/inspection reports, and advise trustees of results and any remedial actions to be implemented \*\*\*
- Ensure the maintenance of accurate and current inventories of all attractive and portable items by appropriate budget holders \*\*\*
- Ensure the adequacy of the school's insurance arrangements as part of the annual financial review and that this is carried out within national procurement regulations\*\*\*
- Implement school pay policy and appointment procedures
- Plan for effective monitoring, evaluating and reviewing of the RAP to secure progress and school improvement
- Think creatively and imaginatively to anticipate and solve financial problems and identify opportunities \*\*\*
- Ensure that resourcing and staffing are dedicated to ensuring the highest standards of achievement for all pupils
- Set appropriate priorities for expenditure, allocate funds and ensure effective administrative control \*\*\*(*physical allocation of funds and effective control*)
- Ensure that accommodation is managed and organised efficiently and effectively in order that it meets the needs of the students, staff and delivery of the Curriculum and the requirements of all appropriate legislation.
- Manage, monitor and review the range, quality, quantity and usage of all available resources in order to improve pupils' achievements, ensure efficiency and secure value for money.

### Responsibilities of the Chief Finance Office

The Chief Finance Officer (CFO), appointed by the Board is the Business Manager.

The responsibilities of the CFO are:

- all of those delegated areas marked with \*\*\* under the responsibilities of the Headteacher
- to liaise with the appointed auditors and enable the preparation of the annual accounts, ensuring that these are properly presented and adequately supported by the underlying books and records of the school.
- the preparation of the annual budget in line with the RAP
- regular and detailed monitoring of budget activities and internal control
- to provide appropriate monthly monitoring reports (to include projections on reserves) to Trustees and SLT.
- to provide technical advice to the Trustees, SLT and the Finance Team
- to liaise with responsible officer (internal auditor)

### Role and Responsibilities of the Business Manager

The Business Manager works in close collaboration with the Headteacher and SLT. The Business Manager is responsible to the Trustees through the Headteacher but also has direct access to the Finance, Audit and Risk Committee..

The roles and responsibilities of the Business Manager are:

- to work in close collaboration with the Headteacher to ensure the fulfilment of all statutory financial requirements delegated to the Headteacher including the undertaking of all of the CFO responsibilities identified above.
- to be a member of the School Leadership Team
- under the criteria of Best Value and Value for Money and Health and Safety, to provide advice and support to the School Leadership Team and the Board in order to facilitate effective planning and decision making throughout the school.
- to ensure compliance with financial, Health and Safety and property related legislation
- to prepare multi-year Budget Planning linked to the RAP for Trustees and Senior Leadership Team (this planning to be continually updated with current information).
- to report to the Headteacher on at least a weekly basis on all issues relating to finance.
- to monitor contract provision to ensure value for money.
- to source external funding opportunities and pass information to relevant staff as appropriate
- to assist with and support long term planning for ICT development within the school
- to Benchmark locally and nationally.
- to challenge existing practice and contracts to ensure Best Value for the school



- to ensure effective reporting of financial data to the Trustees
- to assist with personnel issues as required by the Headteacher and specifically the Performance Management of non-teacher staff.
- To contribute to the Risk Management assessment and strategy of the school.
- Direct line management staff includes the Finance Team and the ICT Support Team.
- To assist the headteacher with the management of the school premises to facilitate current and future effective support of Teaching and Learning within the school and the safety and well-being of students, staff and visitors
- To ensure that the school premises and associated processes are compliant with all current legislation.
- To ensure effective maintenance and development of the premises.
- Reports to Trustees on premises condition and planned works.
- Planning and management of projects including securing funding for premises related projects
- Contributes to the Risk Management assessment and strategy of the school.
- Timely reporting to Trustees on premises and Health and Safety issues
- To assist the headteacher with the management of the Site Team
- Supporting the Headteacher with the management Health and Safety and liaison with CALS to ensure the school's compliance with Health and Safety legislation.
- Ensure effective maintenance and development of school site to provide fitness for purpose and an inspiring environment for staff and students
- Ensure all site work and maintenance complies with Local Government (the landlord) and Government legislation.

#### Other Staff

Other members of staff, primarily the Finance Officer, the Finance Assistant and budget holders, will have some financial responsibilities and these are detailed at *Appendix 6, Financial Controls*. All staff are responsible for the security of academy property, for avoiding loss or damage, for ensuring economy and efficiency in the use of resources and for conformity with the requirements of the academy's financial procedures.

## **4 SCHEDULE OF FINANCIAL LIMITS**

### **4.1 Authorisation of Orders**

- The Headteacher or Business Manager (in the absence of the Business Manager the IT Manager may deputise for the purpose of authorising orders up to a maximum of £3,000 per single item or total value of £10,000) may individually authorise orders up to a maximum of £3,000 per single item or total value of £10,000.

- Any single item of an urgent nature over £3,000 up to a limit of £10,000 must be approved by any two of the following:- Chair of Trustees , Vice Chair of Trustees, Business Manager, Chair of FAR.
- Orders exceeding £10,000 for a single item not premises related shall be approved by the Chair and Vice Chair of Trustees.
- Details of urgent orders authorised by the Chair of Trustees or the Vice Chair of Trustees shall be reported back to the next meeting of Trustees.

#### 4.2 Authorisation of Payments

- All invoices shall be stamped with the 'Authorised Stamp'
- The 'Goods Received' box shall be signed by the budget holder.
- For the Main School Account, the "Certified for Payment" box shall be signed by the Deputy Headteacher, in his absence by one of the Assistant Headteachers. Before signing, the proposed payment shall be reviewed to ensure that it is appropriate.
- For the School Fund Account the Business Manager shall certify the invoice for payment.
- The invoice shall be annotated with the relevant order number, if appropriate and the cost centre and ledger code against which the invoice has been charged

#### 4.3 Cheque/BACs Signatory Limits

- Cheques up to £1,000 must be signed by at least one of the following authorised cheque signatories:
- Cheques above £1,000 must be signed by at least two of the authorised signatories
- Individual Cheques of £20,000 and above must be signed by three authorised signatories including either the Chair of Trustees or the Vice Chair of Trustees. BACS totalling over £20,000 require three authorised signatories.

Current list of authorised signatories:

- 1) Headteacher                      Ms T Yardley (**School Fund only**)
- 2) Deputy Headteacher      Mr S Williams (but not if he authorised invoice for payment)
- 3) Asst Headteachers:      Mr L Bateman, Mrs K Goodwin. Mr S Simmonds, Mrs L Gregory (Lead practitioner)
- 4) Chair of Trustees

- For BACs authorisations, the above limits and signatories apply
- Authorisation of cheques and BACs payments will not be carried out by the same signatory who certified the invoice for payment

#### 4.4 Cheque Stationery Limits.

- As so few cheques are now used one cheque book is retained in the school safe for use as required.

#### **4.5 Petty Cash Limits.**

Cheques for petty cash may be drawn from the school's bank account up to a maximum of £250 for individual cheques. The maximum petty cash float held at any moment in time should not exceed £400 unless a temporary extension has been approved by the Chair or Vice Chair of Trustees, where a float is required for an Educational Visit.

#### **4.6 Budget Virement**

Trustees have delegated responsibility to the Headteacher to move funds between budget headings, including the contingency fund, up to a maximum of £5,000. Over £5,000, permission to confirm virements should be sought from the Chair or Vice Chair of Trustees.

#### **4.7 Official Funds held as Cash.**

Under the current insurance arrangement, the school may hold up to £1,000 cash within a locked receptacle and cash in excess of £1,000 must be held in the school safe. Parents and students pay income direct to the Finance Office and this must be put into the school safe on the day of receipt. Class-based staff collecting money must not keep more than £100 within their department/area and all money must be kept in a locked cabinet/drawer and paid into the School Finance Office at least weekly.

#### **4.8 Capital Limits**

The Trustees have agreed a de-minimus of £1,000 for Capital Expenditure.

The following depreciation rates have been agreed by the Full Trust Board:

- Land and buildings – straight line over 50 years
- Computer / IT equipment – straight line over 3 years
- Furniture and equipment – straight line over 5 years
- Vehicles – straight line over 5 years

#### **4.9 Disposal of Fixed Assets**

The Headteacher has the authority to write-off any single asset up to a maximum value of £1,500. Items in excess of £1,500 may only be written off with the authority of Trustees. Fixed assets must be depreciated over agreed periods and the relevant accounting entries made in accordance with the current Accounts Direction.

#### **4.10 Bad Debts**

The Headteacher may write off Bad Debts up to £300 and this should be reported at the next Trustee Meeting. *Debt Management Policy, Appendix 7.*

#### **4.11 Payroll**

The Headteacher has delegated authority to authorise all payroll forms (claims and contract changes). In their absence the Deputy Headteacher will authorise said forms on their behalf. The Business Manager has delegated authority to authorise payroll claim forms only.

Payroll reconciliation will be carried out according to the agreed procedures. The BACs authorisation statement confirming the charge, from the school bank account to the payroll service provider, will be signed by the Headteacher or the Business Manager.

Following the Payroll Reconciliation process, the reconciliation documents will be reviewed and signed by the Business Manager and the school bursar.

### **5 FINANCIAL MANAGEMENT PROCESSES AND CONTROLS**

(also see detailed delegated financial controls *Appendix 6*)

The Business Manager will ensure that appropriate division of financially related duties is in place at all times in order effectively manage the risk to Wadebridge School management, staff, budget and reputation.

#### **5.1 Budgeting Principles**

The Budget Process is detailed at *Appendix 1*.

##### **5.1.2 Annual Budget**

The Business Manager is responsible for setting a budget timetable which allows sufficient time for approval and submission to the ESFA and must ensure that the budget reflects the RAP priorities and the aims and objectives stated within the Academy Funding Agreement.

The budget must be submitted for approval to the following:

- Headteacher
- SLT
- Full Trust Board (for final approval)

The approved budget must be submitted to the ESFA in the required format by the deadline set each year.

#### **5.2 Budget Monitoring and Control**

Budget monitoring reports will be prepared by the Business Manager. The reports will detail actual income and expenditure against budget both for budget holders and at a summary level for the Headteacher and Trustees. A full budget monitoring report with notes on variances and projections will be prepared and submitted to the Headteacher, SLT and Chair and Vice Chair of Trustees, Chair of FAR monthly. It will contain all the elements required by the ATH.

Any potential overspend against the budget must in the first instance be referred to the Business Manager. The FMS accounting system will not allow orders to be raised against an over-spent budget without approval.

The monitoring process should be effective and timely in highlighting variances in the budget so that differences can be investigated and action taken where appropriate. If a budget overspend is forecast it may be appropriate to vire money from another budget or from the contingency under the limits stated within Section 4.5.

The Business Manager, with the support of the Finance Team, will regularly monitor individual budgets and where necessary hold discussions with Budget holders and their line managers in order to resolve any potential deficits or under spends. Cost Centre Reports will be produced for budget holders on a monthly basis.

### 5.3 Procurement

Procurement of goods and services must be carried out:

- in line with current legislation
- within the aims and objectives of the Funding Agreement
- within the limits agreed by Trustees (Section 4.1)
- within the requirements of the agreed Procurement Policy *Appendix 3* (ie competitive tendering process)

#### 5.3.1 Premises Related Procurement

The Business Manager, will be responsible for all premises related procurement and will ensure that, in addition to the above:

- detailed specifications are given to contractors where appropriate
- all Health and Safety requirements are covered within the specifications
- where required, planning has been carried out and Building Regulation Approval/Planning Permission has been confirmed before a firm commitment has been made.
- works planning has been submitted to SLT for discussion and approval
- all relevant construction regulations are adhered to (eg Construction Design and Management (CDM) 2007 requires a CDM Coordinator for all notifiable projects).

It is not always possible to get contractor quotations in the time available in the case of reactive works, in this case:

- A framework contractor may be used as the tendering process has already taken place
- An explanation for not using the tendering process or a framework contractor must be included with the documentation, sufficient to protect the school against claims of “missed opportunity” from other contractors. In many cases the frameworks are not the best value option.

#### 5.3.2 IT Related Procurement

The Business Manager, with the advice and support of the Network Manager, will be responsible for IT related procurement and will ensure that, in addition to the above general requirements:

- SLT and the School IT coordinator are involved in any hardware investment over £3,000.

- detailed specifications are given to suppliers
- compatibility with existing hardware is assured

### 5.3.3. Energy Management

The school leadership will ensure that with any investment in improvement of the school building or engineering infrastructure, due consideration must be given to the energy efficiency of the resulting improvement. The school is committed to reducing energy consumption whilst improving and developing building and plant.

## 5.4 Payments

Payments are made weekly, using cheques and BACs payments from the main Lloyds bank account and online payments are made using the Lloyds credit cards.

- Payments shall be made in accordance with the limits and guidance within this policy
- Authorised signatories must not sign a cheque relating to goods or services for which they have also authorised the expenditure
- Budget holders shall sign invoice to confirm receipt of goods
- Invoices shall be matched to orders
- Invoices and orders shall be checked and the invoices shall be authorised by the Deputy Headteacher.
- Cheques/BACs payments shall be raised by the Finance Office and forwarded to the Assistant Headteachers/Chair of Trustees for signature (signatures as per limits in Section 4.2)

### On line ordering and payments

- An internal order form shall be raised by the budget holder and authorised by the Business Manager or the Headteacher.
- Payment is made by the Finance Team. Both members of the Finance Team have a school credit card for their authorised use limited to £15,000 per month combined.

## 5.5 Petty Cash

The Petty Cash account is held on the SIMS FMS system and is balanced regularly to the receipts and cash held. The Responsible Officer carries out a termly reconciliation of Petty Cash.

Petty Cash Payments are made up to £10. Amounts exceeding that are payable by cheque or BACS.

Payments from Petty Cash are made in accordance with the limits and guidance within this policy.

Petty Cash is to be kept in a safe when not in use.

## 5.6 Income

Income is collected into the school and receipted using the Tucasi software and shall be accepted as either cash, cheques, debit or credit card or online payments.

Income received via BACS shall be identified by matching with relevant documents held and the relevant budget holders/managers shall be notified of receipt.

Income shall be banked by two staff at least weekly or when the insurance holding limit is likely to be exceeded.

Income must be banked intact. ie the cash must not be changed for a cheque but must be banked as received.

### 5.7 Banking

The Business Manager has on-line supervisory access to the bank accounts enabling:

- Transfer of funds between accounts. This shall only be carried out with the authority of the Chair or Vice Chair of Trustees or the Chair of FAR or their deputies if the former are unavailable and must be made in accordance with the Finance Policy and the Investment Policy.

The opening of additional bank accounts or investment accounts must be approved by the Board and a formal memorandum must set out arrangements for the operation of these accounts including and transfers and cheque signing arrangements. The operation of systems such as BACS and other means of electronic transfer of funds must also be subject to the same level of control.

The Business Manager shall ensure that bank statements are reconciled at least weekly in term time and as often as possible during the holidays in order to protect against the risk of fraud.

### 5.8 Cash Flow

The Business Manager is responsible for monitoring the cash flow on the Academy bank accounts. The monitoring of the cash flow links in with the Investment Policy requirements in order that best use is made of the school balances and to ensure that the school bank accounts does not go into deficit.

### 5.9 VAT

(The ESFA Guidance on VAT for Academies is available from the school on request)

Wadebridge School is not currently VAT registered as its return from taxable activities does not exceed the threshold. The Business Manager is responsible for monitoring the level of return on taxable activities to ensure that if the threshold is exceeded, then Wadebridge School is VAT registered.

The Business Manager is responsible for monitoring income from business activities and for carrying out appropriate periodic calculations as advised by HMRC to ensure correct treatment of VAT and claims relating to business and non-business transactions.

A VAT 126 Return shall be submitted to the HMRC monthly and a reconciliation of the VAT accounts on FMS shall be carried out at that point monthly. The Business Manager shall be responsible for checking and authorising the VAT Return. All financial processes must adhere to HMRC VAT legislation.

#### **5.10 Personnel and Payroll**

All Personnel and Payroll data shall be dealt with in a confidential manner and under Data protection legislation.

Wadebridge School currently holds a service level agreement with Cornwall Council for the processing of the Payroll functions. Wadebridge School administers the day to day payroll function through online access to the Cornwall Council hosted payroll software.

Contractual changes must be authorised by the Headteacher. Any contractual changes in addition to the agreed staff structure require agreement from the CVC Committee who then report their decision to the Trust Board.

Payroll claim forms must be authorised by the Headteacher and/or the Business Manager.

All authorised forms shall be submitted to the main office for input by the relevant submission deadline.

All contractual data shall be input to the SIMS P7 Personnel module by the Headteacher's PA. This data shall be uploaded monthly to the SIMS FMS accounting system in preparation for the monthly payroll reconciliation.

Once payroll administration is complete the processed payroll files from Cornwall Council shall be checked immediately upon receipt (during the last week of the month) by the Business Manager and the Headteacher's PA. Any issues shall be addressed before the Headteacher or Business Manager authorises the BACs charge to the school bank account.

The final payroll files from Cornwall Council shall be downloaded and auto-reconciled to the SIMS FMS system as soon as possible after receipt. Any items not auto-reconciled shall be investigated and dealt with accordingly.

A manual check of total salaries against projected monthly costs shall be carried out and any variances investigated and dealt with accordingly each month the budget monitoring report is prepared.

#### **5.11 Document retention**

The Business Manager shall ensure that documents are retained for periods in accordance with the requirements of the External Auditors and HMRC.

### **6 FIXED ASSETS**

Wadebridge School Trustees must be assured that the assets of the school are secure and correctly managed.

All of Wadebridge School's assets shall be recorded on an online asset management system. The purpose of this system is:



- Safe management of Wadebridge School assets and evidence to the Board that this requirement is being met
- Recording of capital and other appropriate items for accounting purposes. Wadebridge School de-minimus level is £1,000.
- Evidence of all assets held in the school for insurance purposes
- Recording of relevant documentation linked to assets (eg log book, manual, invoice)

### Management of Assets

- The Finance Staff shall ensure that the asset is entered on to the Asset Management System (AMS) at the point of entry to the school or the point of invoice input.
- The responsibility for recording this correctly under the relevant area shall be passed to the manager of that area/CAL.
- Correct recording of assets shall be monitored by the Business Manager
- Area Managers/CALs shall check assets periodically against AMS either electronically or manually and shall confirm that all recorded assets are in their area/on site.
- Any missing assets shall be immediately investigated and appropriate action taken.
- Assets shall be written off in accordance with the limits set by the Board
- Assets may only be taken off site if the following conditions are met:
  - All assets taken off site must be signed out and the member of staff/student must sign to say that the asset will be used for school purposes only and not personal use. The asset must be signed back in to the school. Logs on the AMS are to be kept by:
    - Network Manager in the case of all IT related items
    - CAL in the case of Curriculum Area items
  - Teacher's laptops are issued for use at home and school and at point of issue but must only be used for the purpose of school related work, ie not for personal use. The teacher shall complete and sign the appropriate form on receipt of the laptop
- Staff leaving the school shall return all assets to the school before their leaving date.

## **7 FINANCE AND PERSONNEL IT SYSTEMS**

Wadebridge School uses Capita SIMS, school information management system. Staff using this software must be aware at all times of the need for confidentiality and must follow the requirements of the School's Data Protection Policy (*Appendix 8*) and the General Data Protection Regulations.

### FMS

SIMS FMS is the finance system used by Wadebridge School and is used by all finance staff in Wadebridge School. The Business Manager shall be responsible for ensuring that appropriate access limits are set for all staff using FMS.

SIMS P7 is the Personnel module used by Wadebridge School. The Headteacher's PA manages the data on this system and has full access as does the Headteacher and Business Manager. Other Admin Staff and SLT have defined access to P7 according to their roles.

### Back-ups

The Network Manager shall be responsible for ensuring that appropriate back-ups are taken and stored securely.

- The server itself is backed up incrementally each night (so only the data that has changed is backed up)
- The backup system creates a separate full backup file using the week's incremental backups and the previous week's full backup. This is not really essential, but it ensures that a restore would be quicker and easier to achieve, and it also means that the backup can be properly verified.
- In addition, the SIMS, FMS and Discover databases are also backed up fully, four times during the working day.
- Back-ups are web stored and therefore a full recovery of data for SIMS would be possible, given the four full back ups daily and only a maximum of one days' worth of data would be lost in other software areas.

The Business Manager and Finance Staff shall be responsible for taking FMS Transaction back-ups before significant operations are carried out on FMS (ie, Payroll Reconciliations, Preliminary Close of Year, Close of Year and structure transfer).