HOLLYFAST PRIMARY SCHOOL

Finance Policy & Managing

Strategic Finances

2026 - 2027

Version	Date	Author	Changes
1	**28.11.2023**	**SLT**	**Page 3 Removed** **(budget holder notes)** **Page 4 – Year dates removed** **Page 6 - Deliveries** **Pages 9-11 Removed** **(budget pro-forma & overview)** **Page 5 Section 4, first paragraph**
2	**25.08.2026**	**SLT**	Added: Roles & Responsibilities Delegated Authority

1. Roles and Responsibilities (Finance)

1.1. Governing Body

The Governing Body receives its delegated powers from the City Council under the Fair Funding Scheme of Delegation (FFSD). The Governing Body is responsible for the observance of Financial Regulations as contained in the FFSD. This includes:

- Observance of other financial provisions issued by the LA (e.g. Schools Finance Manual, Final Accounts procedures, and so on)
- Safeguarding of funds (including maximisation of interest income, cash and bank account controls and so on)
- Financial management and scrupulous procedures within the school
- Establishing and recording the responsibilities delegated to the Head Teacher
- Managing the funding available to the school, for instance
  - Integrated Curriculum & Financial Planning
  - https://www.gov.uk/guidance/integrated-curriculum-and-financial-planning-icfp
  - Considering, reviewing and approving the school budget to reflect the policies and principles established in the School Improvement Plan.
  - Establishing / recording the authority and limits for virement, together with the reporting/recording arrangements.
  - Ensuring that there is a suitable budget management / control system in place.
  - Monitoring arrangements and requiring explanations for any variations to budget.
  - Taking corrective action to bring spend in line with budget
- Establishing the timing and type of reports required by the Governing Body.
- Taking appropriate action whenever they become aware that something is unsatisfactory, seeking advice from the Schools Finance Officer as appropriate.
- Providing financial information to the Schools Finance Officer as and when required.
- Ensuring an inventory is maintained
- Ensuring that best value can be demonstrated including following correct procurement procedures
- Paying invoices and collecting debt promptly (including debt write-off procedures)
- Ensuring the school is compliant with the Schools Financial Value Standard
- Taking appropriate action in response to concerns raised by the LA
- Compilation / approval of business / financial plans to support credit union loan applications / community facilities
- Adherence to VAT & PAYE guidelines
- Ensure that staff have access to Whistleblowing policy
- Complete a competency assessment and address training needs

1.2. Head Teacher

The Governing Body will delegate day-to-day responsibility for managing the school to the Head Teacher. The Head Teacher should ensure that they fulfil the responsibilities of any powers delegated to them.

The Head Teacher is responsible for:-

- Preparing the annual Budget in accordance with the financial guidelines, having it approved by the Finance Committee, and submitting for approval to the City Council.

- Ensuring the prompt and accurate recording of all financial transactions on the school's accounting record that sound systems of internal control are in place that enable proper processing of the school's transactions.
- Liaising through the School Business Manager with external agencies, including major suppliers, City Council purchasing services, the school's bankers and the City Finance Team to ensure that the school's best interests are met.
- Monitoring all expenditure and acting accordingly.

In addition the Head Teacher should:

- Observe financial regulations / provisions in the FFSD and other LA publications (e.g. Schools Finance Manual)
- Establish and record the responsibilities to be delegated to the Finance / Admin Staff and Budget Holders.
- Ensure that staff with delegated finance responsibilities receive adequate training to ensure they can fulfil those responsibilities
- Complete a competency assessment for staff with financial responsibilities and ensure training needs are addressed

The Head Teacher will delegate responsibility for the process of approving purchase orders and invoices to the School Business Manager up to a limit of £2,000.

1.3. Finance / Admin Staff

Operate under delegated power from Head Teacher, and are accountable to the Head Teacher and Governors. Responsibilities are:

- Provide the day-to-day operation of efficient, effective, timely, financial and administrative processes
- Support budget holders by providing advice and information as and when required
- Administer the day-to-day operation of the Schools Information Management system, for example:
  - Placing of approved orders
  - Processing and payment of invoices
  - Collection of debt
  - Bank reconciliations
- Ensure that the MIS data is up-to-date, holistic and has integrity.
- Report any issues that might have an impact on the integrity of data on the MIS to Head Teacher at the earliest opportunity
- Ensure all Personnel data is up to date in order that the monthly salary download is accurate
- Compile monthly VAT reports
- Monthly reconciliation of financial records and bank balances, and forwarding this data to the LA
- Receiving, recording and banking of school income
- Financial administration of school trips
- Setting up and maintaining the school budget and financial structure
- All bank statements and credit card statements will be signed by the Head Teacher upon reconciliation each month

1.4. School Purchasing Card Holder

- Governors by issuing cards are giving a delegated authority to make purchases on behalf of the school to the limit on the card. (Limits cannot exceed budget values for the department or expense concerned.)

- The card is issued in the name of an individual as part of the school's account. Governors should therefore issue cards to those they have delegated responsibility, Heads, Deputy Heads, Budget Holders and Business Managers, and set the limits according to regulations and budgets.
- The card must not be used by anyone other than the cardholder. All cardholders are informed of their limits and responsibilities in writing. The statement includes the card's monthly limit, transaction limit as well as the limits and procedures imposed by procurement rules. (Further information can be found in the Schools Guide to Using Purchasing Cards – see below).

2. Delegated Authority

Area	Authorised Individual	Authorised Limit	Frequency of approval
Annual setting of the School Budget	Full Governing Body	Cannot delegate	Each year
Virements	Head Teacher Governing Body	£10,000 Over £10,000	Prior to actioning (these must also be reported to and minuted by the GB at the earliest opportunity)* Prior to actioning
Ordering	Budget holder initially - countersigned by the School Business Manager Head Teacher	To limit of budget for which they have responsibility £2,000 Over £2,000	Each order
Invoice Payment	Head Teacher/School Business Manager		Each invoice
BACS	SBM and Head Teacher		Each BACS payment
Debt write-off (part of Debtors policy)	Head Teacher Governing Body Governing Body & Finance Manager (Children's Social Care & Education)	Up to £500 £501 - £5,000 Over £5,000	As part of the Debtors Policy
Disposal of Assets (write-off / sale)	Head Teacher Governors Governing Body & Finance Manager (Children's Social Care & Education)	Up to £500 £501 - £5,000 Over £5,000	As and when

* <u>Virements</u>

If virements are above the specified limit, but form part of the monthly review by the School Business Manager and the School Finance Officer, an email will be sent to the Chair of the Resource Management Committee for authorisation. It is accepted that an email response may be received after the event. These virements will only be within the existing budget share and will be between Cost Centres. The usual virement form will still be completed for formal discussion and signing at the next available Governing Committee.

Virements up to the limit of £10,000 will be agreed and approved by the Head Teacher and will continue to be recorded on the Virement forms for approval.

3. Other specific Finance Policies

The following finance policies are also available. These are reviewed on an annual basis and updated as necessary. In addition, all policies, including the Finance Policy, will be reviewed when key staff leave or where there is a significant change of the membership of the Governing Body

- Debtors Policy
- Charging & Remissions Policy
- Lettings Policy (reviewed when required)
- Asset Management Policy
- Declaration of Business Interests (annually at Governing Body Meeting)
- Governing Body Meeting Terms of reference (including clerking arrangements)

3.1. Fair Funding Scheme of Delegation

This document sets out the financial relationship between schools and the Local Authority. A paper copy of this document is kept with the School Policy Documents, or by going to:

https://www.coventry.gov.uk/downloads/download/3436/fair_funding_scheme_of_delegation

On an annual basis - towards the end of the Autumn Term - the Local Authority consults with all school stakeholders on changes to the Fair Funding Scheme and formula.

3.2. Communication to staff

Any financial decisions that are taken by the Governing Body or its Committees will be communicated to staff by the Head Teacher to the Senior Leadership Team, and these decisions will then be disseminated to staff via the weekly staff meeting. Any decisions that affect a specific area of the budget will be discussed at length with the budget holder to ensure that any ramifications are fully understood.

All staff will be shown how they can access the City Council's Fair Funding Scheme of Delegation via the web link above.

All school policies are kept electronically on the Admin Server, and are available to view at any time.

3.3. Recruitment of staff with financial responsibilities

All staff that are to be recruited to any role with financial responsibilities must complete a finance test that takes into account financial competency as part of the interview process.

3.4. Service Level Agreements

Service Level agreements are reviewed annually to ensure best value. Consideration is given to outside providers. A decision is then made in the Spring Term each year by the Head teacher, School Business Manager and Administrative Officer.

3.5. Segregation of Duties

In order to ensure good financial practice is followed, the staff of Hollyfast Primary School ensure that there is always a good segregation of duties when completing financial transactions. See Appendix 1 for the statement of segregation of duties

4. Appendix 1- Segregation of Duties

In order to ensure good financial practice is followed, the staff of Hollyfast Primary School ensure that there is always a good segregation of duties when completing financial transactions.

The post is opened by the Administrative Officer and passed to the School Business Manager for checking. Invoices are then passed to the Administrative Officer for input.

Orders are input onto the system by the Administrative Officer.

Orders are authorised electronically by the School Business Manager on the Bromcom system. The paper forms are signed by the School Business Manager (up to a limit of £2,000) or Head Teacher (orders over £2,000).

Invoices are input onto the system by the Finance Assistant.

Invoices are authorised by the School Business Manager.

The BACS run is completed by the Administrative Officer and authorised by the SBM & Head Teacher.

BACS runs are signed by any two of the authorised signatories:

- Gary Watson (Head Teacher)
- Paula Twigg (School Business Manager)

The Finance Assistant files all paperwork.

The school operates as a cashless income system. Parents are encouraged to purchase all goods via Bromcom's MyChildAtSchool app, therefore only minimal cash is handled by staff. This has increased reliability of recording and removes the potential for loss.

If, however, there is cash/cheque income this is processed by the Admin team. One will record the initial income and another will check the figures, the paying in slip is initialled by both members of staff involved in the process.

A cash collection sheet is completed and filed. The income is recorded electronically on Bromcom by the School Business Manager.