



Ravensbury Community Primary School

SCHEME OF FINANCIAL DELEGATION

2016-2017

Agreed by Governors:

The Governing Body and Headteacher will ensure that all procedures comply with the financial regulations of the City Council and the Manchester Scheme for Financing Schools (January 2016).

The terms “Headteacher” and “Governing Body” define the ultimate responsibility. Some responsibility is delegated. This is defined in the scheme.

Although some decision-making powers are delegated, the governing body as a whole remains responsible for any decision made under delegation

A Setting the Annual Budget

- 1) In accordance with Manchester’s Scheme for Financing Schools, the school budget must be approved by the full governing body no later than 31 June in the financial year to which it relates.
- 2) The Headteacher will be responsible for providing adequate financial information and forecasts to enable the governing body to approve a budget plan.
- 3) Once approved, the budget plan must be signed by the Chair of the Governing Body and the Headteacher

B Budgetary Control

- 1) The Headteacher will have responsibility for: -
 - a) ensuring appropriate accounting records are maintained within the school, based on the principle of commitment accounting;
 - b) providing regular financial reports to the governing body giving information about spending against the approved budget;
 - c) Virement of resources between cost centres, provided that such virement shall not exceed limits, which will be reviewed annually and specified in the annual schedule;
 - d) profiling expenditure and income
 - e) The Headteacher may delegate budgets to curriculum or other managers as specified in the annual schedule.
- 2) Any changes to the agreed budget made in accordance with the above provisions must be laid before the governing body or committee of the governing body at the next meeting and formally ratified by mention in the minutes of the meeting.



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C General Purchasing

- 1) All purchasing processes take place within the parameters set by the **Manchester Schools Financial Regulations (January 2016) Section 5 – Procurement**. Any procurement must therefore follow the requirements of Section 5.14. The only permitted exceptions are identified in Sections 5.19 .
- 2) Full regard will be given to the achievement of Best Value
- 3) For purchases below £2,000:
 - a) Orders up to £500 may be placed, after obtaining one oral quotation
 - b) Orders between £501 and £2,000 may be placed, after obtaining one written quotation.
- 4) For purchases above £2,000:
 - a) Orders between £2,001 and £30,000 may only be placed after quotations from at least 3 suppliers have been obtained. (following the normal procedures outlined in the Contract and Procurement rules of the Council) If the lowest quotation is not accepted a note should be made and retained with the records
 - b) Orders above £30,000 are dealt with by tender – at least three candidates to be invited. (Guidance must be sought from Corporate Procurement)
- 5) If due to some unavoidable urgency, quotations are not obtained for some reason, then its is a requirement that the Chair of Finance and/or Chair of Governors is informed immediately and a full report submitted to the Governing Body at the next meeting of either the full Governing Body or the Resource Committee.
- 6) **The authority to place orders will be limited as follows: -**
 - a) There will be a limit for the purchase of individual items which can be authorised by the Headteacher and other approved staff, provided that the costs can be met from the school budget. These limits will be reviewed annually.
 - b) There will be a limit for the purchase of individual items, which can be authorised by the Chair of Governors or Chair of Resource Committee, provided that the costs can be met from the school budget. This limit will be reviewed annually.
 - c) Purchases above this figure should be authorised by the Resource Committee, within the limits set in the budget for the relevant year.



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- d) Purchases above an annually reviewed limit should be authorised by the full governing body, within the limits set in the budget for the relevant year.
- e) The Headteacher must not enter, on behalf of the governing body, into any lease, hire purchase or similar agreement, of more than 12 months duration without the approval of the Resource Committee.
- f) The Headteacher will ensure that the relevant quotation or tendering processes are followed where necessary.
- g) In circumstances where a quotation is accepted under delegated authority which is other than the lowest received, a report should always be written and reported to the Governing body.

D Ordering Goods and Services

- 1) Only staff approved by the governing body should certify orders, under normal circumstances this should be the Headteacher. The school should maintain a list of these staff together with their signatures in the annual schedule.

E Payment of Accounts

- 1) The school maintains a list of staff and their signatures who are authorised to certify invoices and sign cheques. This forms part of the annual schedule and is reviewed annually. Only an approved member of staff may certify invoices. (Wherever possible, this should be neither the person who signed the order nor the person who checked the receipt of goods or services.)
- 2) Authorised staff should check goods and services upon receipt, to ensure that they are in accordance with the order. Delivery notes should be endorsed accordingly.
- 3) Payment should not be made unless a proper invoice has been received, checked, and certified for payment by an authorised person confirming that: -
 - a) Goods and/or services have been received, cross-referenced to the order number
 - b) Expenditure has been properly incurred and that payment has not already been made.
 - c) Prices match quotations, tenders, contracts or catalogue prices and arithmetic is correct.
 - d) VAT has been correctly calculated.
 - e) Discounts, where available, have been allowed for.



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- 4) Payment should not be authorised against a supplier statement
- 5) Payments should not normally be authorised against a photocopied invoice. If an invoice has been lost a replacement should be obtained. If a copy invoice is used it should be marked "Not previously paid", signed and dated.
- 6) The school should maintain a list of staff and their signatures authorised to certify invoices (reviewed annually). Only an approved member of staff may certify invoices. Wherever possible, this should be neither the person who signed the order nor the person who checked the receipt of goods or services.
- 7) All processed invoices should be marked as paid, retained and stored securely for seven years (six plus the current year)
- 8) The school should not authorise any payment on a photocopied invoice or a statement from a supplier.
- 9) Cheque signatories must sign both the cheque and the payment stub.

10) Exceptional Circumstances

- a) In the case of a school outing or other activity where it is not known in advance how much entrance or other fees are and the supplier refuses to provide an invoice the following procedure **MUST** be adopted:
- b) An order is established on FMS6 with an estimate of cost as soon as the arrangements are made.
- c) A manual cheque (NOT a pre-printed Kalamazoo cheque) is prepared in school with payee details, date and signed by the Headteacher. The second signature **MUST NOT UNDER ANY CIRCUMSTANCES BE ADDED AT THIS STAGE.**
- d) A second signatory must accompany the outing.
- e) At the point of payment the cheque is completed and signed.
- f) Full receipt details must be obtained including any VAT element.
- g) On return to school, details of the transactions are entered by means of a manual journal and the commitment cleared.
- h) An alternative method would be to use the school Debit Card (the person to whom the card is issued would need to accompany the trip)

F Petty Cash

- 1) The Headteacher or School Business Manager/Administrator may draw cash from the bank to a normal maximum value as specified in the annual



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schedule. A petty cash requisition form is to be approved before a cash card withdrawal. The cash card needs to be signed in and out of the safe.

- 2) The normal maximum cash to be held on the premises will be specified in the annual schedule.
- 3) Each individual transaction must not exceed the value specified in the annual schedule.
- 4) In exceptional circumstances the limits may be exceeded to specified higher limits as specified in the Annual Schedule. At such times the specific approval must be obtained from the Headteacher and a report provided to the Resource Committee.
- 5) All purchases should be approved in advance by the person responsible for the budget to which the costs will eventually be charged.

G VAT

- a) The Headteacher will ensure that VAT is accounted for in accordance with the Schools Financial Regulations Section 9.

H Staffing/Salaries

- 1) The governing body will determine the number, type and point on the relevant pay scale of all staff in accordance with their pay policy, based upon recommendations from the staffing committee.
- 2) All appointments of staff will be brought to the attention of the governing body, this is to be delegated to the staffing committee whenever permissible. The Headteacher will make the necessary arrangements to maintain relevant staffing levels in the event of absence through illness, training etc.
- 3) The Headteacher will be responsible for the maintenance of adequate personnel records, authorisation of overtime and ensuring that all payments including casual staff are made through the payroll, so that appropriate statutory deductions are made. These tasks are delegated as specified in the annual schedule.
- 4) The Headteacher will be responsible for ensuring that payroll records are monitored to ensure that payments are consistent with those approved by the governing body. This task is delegated as specified in the annual schedule.

I Bank Accounts

- 1) Reconciliation of the banking records will be undertaken by the person specified in the annual schedule and within a week of the receipt of the relevant bank statement(s). Where special circumstances have occurred and reconciliation did not take place, the details should be noted on the bank statement, dated and signed before countersignature by the Headteacher.



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J Security Stock and Inventory of Assets

- 1) The Headteacher is responsible to the governing body for the safe custody and control of cash and other property belonging to the school.
- 2) The Headteacher should ensure that stocks are maintained at reasonable levels and subject to regular, independent physical check.
- 3) The Headteacher is responsible for the maintenance of an Inventory of all valuable items with a note of make, model number and serial number where appropriate. Items should be identified with a security mark where appropriate. This task is delegated as specified in the annual schedule.
- 4) The Headteacher should arrange for the inventory to be checked, at least once per year. Any discrepancies should be investigated and pursued to a satisfactory conclusion. The Headteacher should report any discrepancies over a predetermined sum to the governing body.
- 5) The governing body should authorise all write-offs and disposals of surplus stocks and equipment.
- 6) Whenever school property (e.g. musical instruments, computers, cameras etc) is taken off site, it should be signed for and a register noted accordingly.
- 7) Safes and similar receptacles (e.g. cash boxes) should be kept locked and the keys removed. Key holders should normally carry keys on their person and keys should not be left in the vicinity of the secure area. The loss of keys should be reported immediately to the Headteacher.
- 8) Loss/damage of stock and/or assets above an annually agreed value should be reported to the Governing Body at the first available opportunity after the occurrence.
- 9) All losses and/or damage must be reported to the Headteacher as soon as possible.
- 10) If school assets are lost or stolen whilst away the school premises then the police must be informed by the individual member of staff and a crime number obtained.
- 11) If school assets are lost or stolen from the school premises then the police must be informed by the Headteacher or School Business Manager and a crime number obtained.
- 12) The Governing Body will agree a "Laptop Loan Agreement" which all staff using a school laptop must sign and adhere to.
- 13) The Governing Body will agree a "Responsible Computer/Internet use statement" that all who have access to a computer in school have to sign.



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Agreed by Governors:

K Income

- 1) The governing body is responsible for determining a charging policy for letting school premises.
- 2) Charging Policy
 - a) No charges can be made unless the governing body has drawn up a charging policy giving details of the optional extras or board and lodging that they intend to charge for, and a remissions policy.
 - b) A policy statement will take account of each type of activity that can be charged for and explain when charges will be made.
- 3) The Headteacher is responsible for ensuring that all income is accounted for and banked promptly ensuring that principle of "separation of duties is maintained.
- 4) The Headteacher should ensure that persons using the building have suitable insurance arrangements in place such as a public liability certificate or 3rd party liability.

L Insurance

- 1) As part of the continuous review of the identified risks, the Governing Body will, at least once every financial year, assess whether the sums insured are commensurate with the latest assessment of risk. (see **Schools Financial Regulations Section 11.16 to 11.22**)
- 2) In accordance with Item 1 above, the Headteacher will review annually whether the sums insured are commensurate with risks and consider the adequacy of insurance cover for:
 - a) vandalism
 - b) property (on or off the premises)
 - c) money
 - d) personal accident
 - e) losses which arise from fraud or dishonesty
 - f) staff absence or maternity leave
- 3) The Headteacher is responsible for:
 - a) Informing the insurers of any new risks
 - b) making claims arising from accidents or other incidents.



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Agreed by Governors:

M Computer Systems

- 1) The Headteacher should ensure that:
 - a) the computer based management system is registered in accordance with the Data Protection Act.
 - b) only appropriate staff have access to the relevant computer records;
 - c) adequate back-up procedures are in place and implemented.

N Register of Business Interests

In accordance with **Section 2.15 to 2.18 of the Schools Financial Regulations (January 2016)**, the Governing Body will establish and maintain a Register of Business Interests. The register will be updated regularly and at least once per year. At each meeting of the Governing Body meeting and each Committee meeting an opportunity will be given for the declaration of any interests. In the event of declaration of interest, and if this interest is considered by the Chair of Governors to be material in predation to the matter to be discussed, the individual concerned must withdraw from participation in the decision making process involving such items.

O Schools Financial Value Standard Assessment

In accordance with Schools Financial Regulations (January 2016) the Governing Body will ensure that the school demonstrates compliance with the SFVS and completes the assessment form on an annual basis. The assessment report is signed by the Chair of Governors and where applicable the form will include a summary of remedial actions with a clear timetable, ensuring that each action has specified deadline and an agreed owner.

P Statement of Internal Control

- 1) Section 2.40, 2.41 and 2.42, the Governing Body will ensure that systems of internal control are in place that ensure that financial transactions are lawful.
- 2) The Headteacher is responsible for ensuring that procedures are in place that deal with:
 - a) Internal checks - one person checking another persons work
 - b) Separation of duties - distributing the work so that key tasks are assigned to separate members of staff
 - c) A system of authorisations - each transaction is authorised before passing on to the next stage of the process.



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Agreed by Governors:

- d) An audit trail - this tracks all stages of a transaction, for example from copy order to invoice, to accounts, to cheque and in reverse.
- 3) The Governing Body will agree and sign annually a **Statement of Internal Control** to confirm that such systems are in place and have operated successfully during the previous twelve months any serious deficiencies being reported at the same time or earlier.

Banker School & other Specialist Project Arrangements

- 4) All "Banker School" or other special project arrangements must be approved by the Governing Body and reviewed annually.
- 5) Detailed financial arrangements are described in the Annual Schedule.
- 6) *The description should include the following:*
 - a) *List any Banker School and any Specialist / Specific Projects that the School may be involved in.*
 - b) *Outline or provide an overview of the project(s). This can include start date of project, time span of project - i.e. 2 or 3 years, what arrangements have been agreed with the Funder, the monitoring - if any, and how regularly the Banker School or any other School gets paid, do you have to invoice the other schools? Or do they have to invoice you or is it that you have to provide payroll reports, evidence of management resource, expenses on a monthly, quarterly basis.*
 - c) *Any changes to Terms and Conditions during the project life should be requested in writing to confirm the new arrangements which can then be updated and thereafter approved by the Governing Body.*

Q Risk Register

- 7) In accordance with **Schools Financial Regulations Section 11 – Risk Management** the Governing Body will set up, and regularly review a Risk Register, which tabulates the Risks the School is exposed to, the extent to which existing internal controls mitigate the risk, and an assessment of how likely each risk is given the controls in place and how serious each risk would be (its impact) if it occurs in relation to the finances, operations, reputation etc. of the School Finally, it identifies any action necessary to mitigate the risk and allocates responsibility for implementing the action to specific members of staff

R Debit Card

- 8) The school has 3 Debit Cards, allocated to the Headteacher, Deputy Headteacher and School Business Manager



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Agreed by Governors:

- 9) The debit card is used for:
 - a) Withdrawal of cash for Petty Cash Reimbursements
 - b) Purchase of resources when the normal purchasing process is impossible (i.e. purchase orders not accepted, cheques not accepted)
 - c) Purchases where it has been clearly evidenced that Value for Money can be obtained by using the card
 - 10) Use of the card for purchases must not circumvent the normal requirement to register a commitment in advance of payment i.e. raising of a purchase order
 - 11) The card registered to the SBM is kept in the school safe and subject to an in/out log and used for purchases and withdrawing petty cash.
 - 12) The HT and DHT keep their cards on them only to be used in an emergency situation – as recorded in the school's Business Continuity Plan.
 - 13) Annual limits will be set in the Annual Schedule regarding the maximum expenditure allowed for each transaction
- Card users will be defined in the Annual schedule

S Staff Absence

- a. In the case of staff absence of the School Business Manager. The school purchases finance support from Education Finance Consultancy Limited.

Contact Name: Ray Smith

Contact Details: 07778611887



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Agreed by Governors:

SCHEDULE FOR FINANCIAL 2016-2017

A Setting the Annual Budget

- 1) The Resource Committee has full delegated powers to act on behalf of the Governing Body. All decisions made under this delegation must be reported to the next full meeting of the Governing Body.

B Budgetary Control

- 1) The Governing Body has delegated the authority to approve the Budget and subsequent revisions to the Resource Committee of the Governing Body.
- 2) The Headteacher may vire between cost centres a maximum of £5,000
- 3) The Headteacher may increase or decrease the net budget for the year up to a maximum of £5,000.
- 4) In the case of additional funding not previously identified in the budget for the current year and not exceeding £10,000 the Headteacher may increase income and expenditure estimates to match the funding available – once the increased income is confirmed.
- 5) The Chair of Resource and/or Chair of Governors may authorise an increase or decrease in income and expenditure estimates up to a maximum value of £10,000. Adjustments in excess of this value must be authorised by the Resource Committee.
- 6) At no time must any adjustment lead to expenditure exceeding the total funds available (i.e. the total income for the current year plus/minus any brought forward surplus/deficit).
- 7) All adjustments to the budget including virements agreed to under such delegated powers as exist must be communicated to the next meeting of the Resource Committee or Governing Body whichever is the sooner.
- 8) Responsibility for the control of individual budget headings, and the annual allocations attached to them is as follows:

Cost Centre	Delegate	Signature
Foundation	Kirsty Woldenden	
Key Stage 1	Louise Thewlis	
Key Stage 2 Lower Key Stage 2 Upper	Melissa O'Donaghue Justine Thornton	
Cleaning and Caretaking	Karen Fowler / Shirley Hurst	
ICT	Louise Thewlis	



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General Resources	Maureen Hughes Sam Foord	
Admin Supplies	Administrator / SBM	

C General Purchasing

- 1) Note that all procurement processes are subject to the Schools Financial Regulations Section 5 – Procurement.
- 2) The limit for the purchase of individual items that may be approved by the Headteacher is a maximum of £10,000.
- 3) The limit for the purchase of individual items which can be authorised by the Chair of Governors or Chair of Resource Committee is maximum of £15,000
- 4) Purchases between £15,001 and £20,000 must be approved by the Resource Committee
- 5) Purchases over £20,000 must be approved by the full governing body.

D Ordering of Goods and Services

- 1) The following may authorise orders (i.e. physically sign them; this is quite separate from the authorisations referred to above):

Title	Name	Signature
Headteacher	Ms S Foord	
Deputy Headteacher	Maureen Hughes	
School Business Manager	Miss N Richardson	
Administrator	Mrs S Leadbetter	
Administrator	Mrs R Tindall	

E Payment of Accounts

- 1) The following may endorse/certify/authorise invoices and delivery notes:
- 2) The following may endorse/certify/authorise invoices:

Title	Name	Signature
Headteacher	Ms S Foord	



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Deputy Headteacher	Maureen Hughes	
School Business Manager	Ms N Richardson	
Administrator	Mrs R Tindall	

3) Each cheque will be signed by any two of the following:

	Title	Name	Signature
1	Headteacher	MS S Foord	
2	Deputy Headteacher	Mrs M Hughes	
3	School Business Manager	Miss N Richardson	
4	Assistant Headteacher	Mrs L Thewlis	

F Petty Cash

- 1) The maximum value that that maybe withdrawn in cash is £200.
- 2) The balance of petty cash held on the premises must not exceed £200.
- 3) The maximum value of any petty cash reimbursement is £25.
- 4) Reimbursements above £35 value will be processed though the normal Accounts Payable process resulting in payment by cheque
- 5) In exceptional circumstances the above limits may be exceeded to a maximum of £300 and £50 respectively (With Headteacher approval and a report provided to the Resource Committee)
- 6) The following may draw cash to a maximum of £200 on each occasion:

Title	Name	Signature
Headteacher	Ms S Foord	
School Business Manager	Miss N Richardson	
Deputy Headteacher	Mrs Hughes	

G VAT



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Agreed by Governors:

- 1) No specific annual delegations.

H Staffing/Salaries

- 1) No specific annual delegations

I Bank Accounts

- 1) Bank Statements will be reconciled with the internal banking records by the SBM or other delegated person and countersigned by the Headteacher or Deputy Headteacher

J Security, Stock and Inventory of Assets

- 1) Any items lost or damaged above a value of £200 to be reported to the Governing Body.
- 2) There are TWO keys to the school safe. These are held by
 - a) Ms S Foord (Headteacher)
 - b) Miss N Richardson (School Business Manager)
- 3) There are TWO keys to the safety cabinet. These are held by
 - a) Mrs M Hughes (Deputy Headteacher)
 - b) Miss N Richardson (School Business Manager)

K Income

- 1) The school uses a cash register; the keys to operate the cash register are kept in the safety cabinet.
- 2) The cash register has to be logged on by users to complete any transactions. Allocated users for the cash register are:
 - a) Mrs Hughes – Deputy Headteacher
 - b) Miss N Richardson – School Business Manager
 - c) Ms S Leadbetter – Administrator
 - d) Mrs R Tindall - Administrator

L Insurance

- 1) No specific annual delegations

M Computer Systems

- 1) No specific annual delegations

N Register of business Interests

- 1) No specific annual delegations



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O Statement of Internal Control

- 1) No specific annual delegations

P Banker School/Other Special Project Arrangements

- 1) **There are no /The school has the following “Banker School” special project arrangements:**

Q Risk Register

- 1) No specific annual delegations

R Debit Cards

Title	Name	Signature
Headteacher	Ms S Foord	
School Business Manager	Miss N Richardson	
Depty Headteacher	Mrs M Hughes	

- 1) Debit cards are held in the name of the above.
- 2) The normal maximum value that that maybe withdrawn in cash is £200. This may be increased to £300 in exceptional circumstances as specified in the Scheme.
- 3) The maximum value of purchase permitted is £1,500

Agreed by Governors on: