



# Ash Manor School

## Finance Policy

<b>Governors' Committee Responsible:</b>	Resources
<b>Nominated Lead Member of Staff:</b>	School Business Manager
<b>Status &amp; Review Cycle:</b>	Statutory 1 year
<b>Next Review Date:</b>	March 2024
<b>Document Version Control:</b>	
V2.0 March 2022	Changes in yellow
V3.0 June 2022	Changes in yellow
V4.0 November 2022	Changes in yellow: Level of expenditure/virement. Salary information
V5.0 March 2023	
V6.0 January 2024	Authorisation limits section 3

### **The Purpose of the Policy:**

- to define the responsibilities within the school
- to provide guidance on the application of regulations
- to identify procedures to ensure integrity of internal controls
- to set out guidelines to ensure effectiveness of resources

### **1. Rationale and Accountability**

Governors have statutory responsibility for the oversight of the financial management in all maintained schools with delegated budgets.

The regulations setting out the financial management of schools are laid down in the Education Reform Act 1988, the School Standards and Framework Act 1998 and the Local Government Act 1972: s151. Detailed guidelines are contained within the Surrey Scheme for Financing Schools and the Surrey LMS Finance Manual, which can be found on the Strictly 4s website.

The role of the Full Governing Body is to:

- agree the delegation of authority to the Resources Committee to approve the budget
- receive auditors' reports
- set the terms of reference for the Resources Committee

The role of the Resources Committee is to:

- agree, after delegation of authority from the Full Governing Body, the annual budget.
- adopt the Local Authority Scheme of Delegation
- review and maintain finance policies, including Lettings and Charging & Remissions.
- review systems of internal financial control
- monitor the annual budget and make recommendations to the Governing Body
- set levels of authority for spending and virement
- consider the impact of student numbers on the budget over short, medium and long terms
- receive and respond to audit reports

### **2. Budgets and authority levels:**

The governors shall plan the school finances through:

- the approval and implementation of an annual budget based on the aims, objectives and priorities of the school, the financial position of the school and the levels of projected reserves.

- preparation of a medium term Financial Plan of at least three years, updated annually.
- Benchmark spending against <https://schools-financial-benchmarking.service.gov.uk/>

Levels of virement are set by the Resources Committee, approved by the Full Governing Body, to maintain effective use of resources.

Resources Committee: £10,000 may be vired between budgets without approval by the GB Head (and DBD): no funds may be vired within budget headings, without the approval of the Resources Committee.

The timetable for preparation, presentation and approval of the Annual Budget and School Development Plan will be as follows:

Autumn Term:	Preparation of SVFS: March Review draft budget: November
Spring Term:	Receive year end Forecast: March/April Present Budget to Resources Committee: March/April Approval of Budget by Governing Body: March/April

### **3. Authority to incur expenditure**

- a) The Headteacher has the delegated authority from the Governing Body to authorise expenditure up to the value of £10,000 for a single transaction, without governor approval within the framework of the budget
- b) From the School Fund Account a budget for the financial support of school trips/visits for children/parents in financial difficulty up to the sum of £1,000 per annum to be paid out at the discretion of the Headteacher subject to available funds from the Hardship cost centre.
- c) The Finance/Resources Committee can authorise expenditure between £10,000, but less than £100,000 for a single transaction where provision has been made in the budget.
- d) The Headteacher may authorise non-budgeted expenditure up to £500 and the Finance/Resources Committee may authorise non-budgeted items up to £5,000. Anything over these amount must be approved by the FGB.
- e) The Full Governing Body (FGB) must agree any expenditure above these limits or where no provision in the budget has been made.
- f) The de-minimus level, above which a purchase is treated as capital is £500. Capital expenditure (CapEx) is broadly defined as expenditure that results in the acquisition or construction of a fixed asset or the enhancement of an existing fixed asset. The fixed asset should be expected to be used for at least 1 year.

The school regularly reviews the limits set to ensure they are still appropriate and record this in the governors' minutes.

Where larger value purchases are made the school complies with the financial limits set in Surrey's Procurement Standing Orders. These detail the number of quotations required at certain thresholds as well as conditions for tender."

#### **4. Bankers Automated Clearing Service (BACS)**

- a) The proper authorisation of each BACS payment will be run by two signatories to the school's bank account
- b) There will be maintenance of a proper separation of duties to ensure that a member of staff responsible for the preparation of the electronics BACS file is not also responsible for its authorisation and onward transmission to the school's BACS bureau.

#### **5. Purchasing**

The Governing Body shall maintain Best Value for all purchases. All purchases will be made through the school's ordering system.

The policy of Best Value will be applied using these four principles:

Challenging how a service or supply is provided and why it is required

- Comparing performance with other school.
- Consulting with relevant stakeholders
- Competing as a means of securing efficient and effective services and supplies.

In line with SCC policy 3 quotes will be obtained for orders over £10,000.

#### **6. Internal Controls**

Internal delegation, subject to the limits in s3 above, will be as follows:

	Certifying officers:
Orders, invoice approval, VAT, Expenses forms, cheques and absence returns	School Business Manager
Petty cash, cheques	School Business Manager
Order requisitions, deliveries	Budget Holder
Final Order Approval	Deputy Heads and Headteacher or School Business Manager
Cheques signatories & BACS authority	Deputy Heads and Headteacher or School Business Manager
Cheques & BACS require two signatures.	Deputy Heads and Headteacher or School Business Manager

BACS Payment Authorised	Deputy Heads and Headteacher or School Business Manager
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Financial reporting:

Immediately	Any expenditure outside the approved budget	Full Governing Body
Monthly	Cost centre summary report Cost Centre Report	Head Budget Holders
Termly	Financial monitoring report & commentary	Head Resources Committee
Annually	Out-turn Statement CFR Unofficial Funds Audited Accounts Budget Plan Three year budget plan	Full Governing Body

### **Governors' allowance**

The School Governance (Roles, Procedures and Allowances) (England) Regulations 2013 give Governing Bodies the discretion to pay allowances, from the school's annual budget allocation, to governors for certain allowances which they incur in carrying out their duties.

Ash Manor School Governing Body believes that paying governors allowances, in specific categories as set out below, is important in ensuring equality of opportunity to serve as governors for all members of the community and so is an appropriate use of school funds. The specific items allowable reflect this objective.

Governors will be able to claim allowances providing the allowances are incurred in carrying out their duties, as a Governor or representative of Ash Manor School, and are agreed by the Resources Committee that they are justified before any reimbursable costs are incurred.

Governors will be able to claim for the following, on a case-by-case basis and with the prior approval of the Governing Body:

- Cost of care arrangements for an elderly or dependent relative (excluding payments to a current/former spouse or partner);
- Childcare or baby-sitting allowances (excluding payments to a current/former spouse or partner);
- The extra costs they incur in performing their duties either because they have special needs or because English is not their first language;
- The cost of travel relating only to travel to meetings/training courses.
- Travel and subsistence costs, payable at the current rates specified by the Secretary of State for the Environment, Transport and the Regions, associated with attending national meetings or training events, unless these costs can be claimed from the LA or any other source;

- Telephone charges, photocopying, stationery, postage etc;
- Any other justifiable allowances.

The Governing Body at Ash Manor School acknowledges that:

- Governors may not be paid attendance allowance;
- Governors may not be reimbursed for loss of earnings.

Governors wishing to make claims under these arrangements, once prior approval has been sought, should complete a claims form (obtainable from the Clerk to the Governors), attaching receipts, and return it to the School within two weeks of the date when the allowances were incurred, they will then be submitted for approval by the Chair of Governors or Chair of Finance to be presented to the Finance Committee for final approval.

Claims will be subject to independent audit and may be investigated by the Chair of Governors (or Vice Chair in respect of the Chair of Governors) if they appear excessive or inconsistent.

### **Charging and Remissions**

The Governing Body recognises the valuable contribution that the wide range of additional activities, including clubs, out of school trips, residential and experiences of other environments, can make towards students' all round educational experience and their personal and social development. (Throughout this policy, the term 'parents' means all those having parental responsibility for a child.) In conformity with the requirements of the Education Reform Act 1988, it is the policy of the Governing Body:

### **Charging**

The Governing Body reserves the right to make a charge in the following circumstances for activities organised by the school:

- School trips and residential in school time: the board and lodging element of the residential experience and outdoor pursuit courses. Any income received in excess of £10 or more per student which is not required to cover the trip will be refunded to parents.
- Activities outside school hours: the full cost for each student of journeys, trips and overnight stays in the United Kingdom and abroad taking place at weekends and during holidays, which are deemed to be optional extras.
- The cost of materials, ingredients etc. which may be required for some curriculum subjects.
- Acts of vandalism and negligence: The school reserves the right to recover part, or the whole cost, of damage to buildings or equipment, which is the result of vandalism or negligence by a student.
- Examination fees: if a student has not regularly attended the lessons for a particular examination subject, the examination fee may be requested, refundable if the student attends for examination. If, without a medical certificate explaining the reason, a student fails to complete examination requirements for any public

examination for which the school has paid an entry fee, the school may seek to recover the fee from the parent.

- There may be a charge for examination entry where there is a request from the parent for additional subject entries to be made which are not supported by the school.
- An administration charge may be made for copies of policies or documents requested to cover the costs incurred by the school.
- To request voluntary contributions from parents for school activities in or out of school time for which compulsory charges cannot be levied but which can only be provided if there is sufficient voluntary funding, whilst ensuring that no pupil is excluded from such activity by reason of inability to make a voluntary contribution.
- Whilst the pupil contributions (to charity and School Council funds), to wear Mufti on designated school days is optional – pupils not contributing prior to the day will wear full school uniform.
- To leave to the Head's discretion, the proportion of costs of an activity which should be charged to public or non-public funds.

### **Remissions**

Where the parent of a student can prove they are in receipt of any of the qualifying state benefit(s) below, the school will remit in full the cost of board and lodging for any residential activity that is organised for the student and which takes place within school time. This will only be the case where the residential activity forms part of the syllabus for a public examination.

- Income Support
- income-based Jobseeker's Allowance
- income-related Employment and Support Allowance
- support under Part VI of the Immigration and Asylum Act 1999
- the guaranteed element of Pension Credit
- Child Tax Credit (provided you're not also entitled to Working Tax Credit and have an annual gross income of no more than £16,190)
- Working Tax Credit run-on - paid for 4 weeks after you stop qualifying for Working Tax Credit
- Universal Credit - if you apply on or after 1 April 2018 your household income must be less than £7,400 a year (after tax and not including any benefits you get)

The school may remit charges in full or in part to other parents after considering other specific hardship cases. The Governing Body invites parents to apply, in the strictest confidence, for the remission of charges in part or in full. The Headteacher will authorise remission in consultation with the Chair of the Governing Body.

### **Insurance**

Any insurance costs will be included in charges made for trips or activities.

### **Voluntary contributions**

Nothing in this policy statement precludes the school or Governing Body from inviting parents to make voluntary contributions.

### **Treatment of Students**

No student will be treated differently according to whether their parents have contributed.

### **Cancellation of Activities**

The school may have to cancel activities in the event that a request for payment or voluntary contributions are inadequate in relation to the cost of the activity.

### **Employee salary information (earning over £100k per annum)**

Maintained schools are now required to publish salary information on any employee earning over £100,000 per annum.

All staff employed directly by the school are paid in accordance with the NASUWT Teachers Union or Surrey County Councils Terms & Conditions (support staff). All staff salaries are reviewed annually by the Pay Committee of the Governing Board in the autumn term.

Please see below the numbers of employees earning over £100,000 per annum in the academic year 2022/23:

Remuneration Band	Employees earning over £100K
£100888 to £113823	1