

Revised | 2021

Finance Policy 2021-22



Committee	Resources
Last reviewed	October 2021
Next revision	Annual
To be reviewed	October 2022
Changes from 2020-21 to 2021-22	<ol style="list-style-type: none">1. Headteacher has been changed to Executive Headteacher throughout document2. Deputy Headteacher has been changed to Director of Inclusion throughout document3. Point 5.2 and 5.3 have been changed as the reports are now sent via email to the SBM and not accessed through a Camden website.

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1. Introduction - Purpose and Context

Purpose

This policy aims to ensure that all available financial resources are used effectively to raise standards of achievement and continually improve the quality of teaching and learning within the school.

Context

The Governing Body and school are governed by the London Borough of Camden (LBC) Scheme of Delegation and Financial Regulations, which are available in the school office and on Governorhub, as a basis for financial management. These regulations provide the framework for the development of systems which will secure the school's financial integrity and instil good practice in managing the school's resources. These documents are also available to staff on Camden Essentials.

2. Financial Management Responsibilities - A Basis for Decision-Making and Accountability:

Torriano Junior School and Torriano Infants School assumed full delegation of responsibilities under the CLEA scheme of Local Management of Schools in 1994. In August 2015 Torriano Infants School was closed and the constitution of the Junior School amended to become Torriano Primary School providing for pupils from Early Years to Year 6. This created valuable opportunities for the new Governing Body to take decisions which will further the educational effectiveness of this school. It also empowered governors to allocate the resources to what, within their judgement, is deemed to be in the best interest of the pupils at Torriano.

In managing the school budget, the following principles underpin the school's policies, procedures and practices:

- 2.1. The school will adopt a systematic approach to decisions on school budget management. This will regularly begin with consideration of the school's aims and the setting of priorities which translate these aims into action. This process must be managed to enable participation by members of the school community in the decision making process.

Each year the school improvement plan is produced by the Senior Leadership Team (SLT) in collaboration with governors. Decisions made as part of this review and development process will have budgetary implications. The school improvement plan is subject to continuous review and evaluation by the committees of the governing body and by the governing body as a whole.

The SLT and subject leaders play a key role in supporting the Governing Body with budget decisions. They are, individually and collectively, able to assess the school's needs from their professional knowledge and experience of the school's curriculum. The school improvement plan is a synthesis of this experience and is the influencing factor in budget decisions.

- 2.2. Budgetary planning is an integral part of the overall planning process. Therefore the school's needs and resources will be drawn together in a cohesive and feasible strategy. This will inform the school's choices between contending priorities and provide the basis for spending allocations.
- 2.3 It is essential to monitor continually whether the implementation of the budget plans is having the desired effect on raising the quality of provision and standards of attainment for the pupils. Predetermined success criteria will provide the necessary basis for assessing achievements.

- 2.4 The arrangements for delegation and virements within the school will be established and formalised to ensure controlled use of funds.
- 2.5 Adequate monitoring and accounting systems will be determined and maintained. The governors are fully accountable for their financial management to the Local Authority and the Department for Education.

3. Torriano Primary School Financial Standing Orders:

The following standing orders draw on the LBC financial regulations.

- 3.1. The Governing Body has overall responsibility for the budget and financial management of the school.
- 3.2. The Resources of the Governing Body shall meet at least once a term.
- 3.3. The Governing Body shall delegate responsibility for budgetary matters and financial management to the Resources Committee. Detailed terms of reference for the Committee will guide its work.
- 3.4. The quorum for the Resources Committee shall be 50% of the members of the Committee including the Chair of the Committee and the Executive Headteacher. If the meeting is not quorate, no decisions can be reached but recommendations can be made to the Governing Body for final decisions from that body.
- 3.5. The Executive Headteacher and School Business Manager (SBM) will prepare a budget for the school prior to the beginning of the financial year, and submit it for discussion to a meeting of the Resources Committee before the commencement of the financial year. Final budget will normally be approved by a meeting of the full Governing Body. However, late advice of the school budget share and other grants may dictate deferred consideration of the budget. In such circumstances the Governing Body may abrogate its budget approval function to the Resources Committee.
- 3.6. The Executive Headteacher will be responsible to the Governing Body for ensuring that all financial regulations are implemented.
- 3.7. The authority to approve virements up to £5,000 between cost centres shall be delegated to the Executive Headteacher for the period between meetings, subject to a report to the Resources Committee detailing all virements since the last meeting. Expenditure in relation to grant and charitable awards made available after initial approval of the budget shall be at the discretion of the Executive Headteacher and within the parameters of the grant application.
- 3.8. The Resources Committee will give final approval to required virements between budget areas.
- 3.9. Minutes of the Resources meeting shall be reported to the subsequent meeting of the Governing Body.
- 3.10. The Executive Headteacher and SBM shall produce a draft statement of actual expenditure and income against budget for the financial year, in a format approved by the Governing Body. This will be completed as soon as possible after the end of the financial year and not later than the end of the term.
- 3.11. The Executive Headteacher shall produce a final statement with receipt of information from the Director of Finance.

- 3.12. The School's budget plan statement is a policy document of the Governing Body. It provides members of staff with the authority to spend money. The Executive Headteacher and the administrative staff will work to the policy and present regularly updated information on the organisation of the budget to the Resources Committee.
- 3.13. The Finance Officer (FO) will process all payments including petty cash, which will be maintained as an imprest. The normal method of payment of money due is by cheque or credit card.
- 3.14. All income received on behalf of the school will be passed immediately to the school FO who will arrange for it to be deposited in the appropriate school bank accounts.
- 3.15. Third party and personal cheques will not be cashed from monies held by or on behalf of the school.
- 3.16. Money may not be borrowed from personnel or from any of the school's funds.
- 3.17. Each Subject Leader and Budget Manager will ensure that order/expenditure in each Cost Centre is made with their full knowledge and agreement.
- 3.18. Adequate internal financial controls will be implemented by internal checks, separation of duties and tasks and appropriate authorisation procedures.
- 3.19. The school will use the accounting procedures outlined in Appendix 1.
- 3.20. The school will ensure value for money by following the principles of best value before expenditure is committed. This includes comparison, consultation, competition and challenge. Written quotations on all works will be invited as far as practicable. The school's Best Value Statement is at Appendix 2.

4. Roles and Responsibilities

4.1 Main Governing Body:

- Provides a strategic leadership of where the school is heading and determines overall priorities for development.
- Acts as a critical friend to the school.
- Fulfils its duties towards its accountability for the quality of educational provision, the standard achieved by pupils and the school's success in providing good value for money.

4.2 Governors' Resources Committee

The agreed terms of reference for the Resources Committee are listed in the Governors' policy on committee structure.

4.3 Executive Headteacher

The Executive Headteacher is the professional head of the school, responsible for the direction of its work and for its day to day management and organisation: (Inspection framework, OFSTED).

It is the Executive Headteacher's duty:

- To monitor and review the most effective staffing structure, curriculum organisation and day to day management systems within the school. Recommendations should be designed to ensure principles of best value and value for money in terms of quality of schooling and good educational progress for every child.
- To keep the totality of resource management under review and advise others where appropriate conditions within schools are likely to change rapidly and will impact on finances. Elements such as illness of key staff, unexpected building repairs or sudden drop in pupil number around the October census can all have unpredictable effects. The Executive Headteacher must try to ensure that any fluctuations in finance are managed to minimise an adverse effect in quality of education.

The Executive Headteacher is responsible for:

- Authorising orders.
- Co-ordinating regular reports and other information on spending for the Resources Committee and governing body.
- Monitoring expenditure on priorities to evaluate the impact on pupil learning.
- Progressing the strategic development of the school.

4.4 Finance Officer (FO)

The School Finance Officer is responsible for:

- Processing authorised orders submitted by budget managers.
- Processing invoices against authorised delivery notes.
- Posting expenditure against planned budget and allocating codes accurately.
- Balancing manual records against the computerised systems.
- Reconciling petty cash accounts.
- Raising cheques against properly authorised invoices.
- Supporting the Executive Headteacher in fulfilling their responsibilities or in any way requested by them.
- Collection of dinner and trip monies and maintenance of accounting records.
- Administration and reconciliation of the school's credit cards.

4.5 School Business Manager (SBM)

The main duties of a SBM will be to support the Executive Headteacher towards efficient and effective financial management, particularly in the areas of budget preparation and monitoring and payroll management.

Other duties include:

- Checking payments and cost centre codes for accuracy.
- Checking the accuracy of centrally paid staff costs.
- Reconciling school expenditure and income to the LA accounting records.
- Keeping the expenditure in control through adequate checks.
- Maintenance of the school's inventories.

5. Reports and Returns Monitoring

5.1. Quarterly Returns:

At the end of each quarter, a return will be submitted to the LA, providing a summary of the quarter's disbursements and VAT liability, under the Consistent Financial Reporting (CFR) and relevant LA income and expenditure codes.

5.2. Payroll Reports

These are emailed directly to the SBM by the LA. The report provides an analysis of the salary and employer costs of each member of staff. Any discrepancies must be reported to the LA within two weeks of the report being sent, otherwise the LA will assume that the report is correct. The LA payroll services scrutinise each reported discrepancy and notify the school of the outcome.

5.3. Fusion Reports

Fusion reports are emailed directly to the SBM by the LA. The Fusion report details all funds held by the LA and the monthly transactions in respect of gross salary costs, deductions for central services, reimbursements and grant funding. The SBM will check these for accuracy and then discuss all transactions with the Executive Headteacher to ascertain any further discrepancies. These will be notified to the LA finance section by telephone or e-mail immediately. The SBM checks ICT purchases for accuracy.

5.4. Monthly Reports and Monitoring

As part of the month end procedures the SBM produces a budgetary control report, which is discussed with the Executive Headteacher. Expenditure is monitored against the budget profile and the necessary action taken to ensure that fluctuations do not have a detrimental effect on the quality of education or overall budget management. Any wide variances to budget are brought to the attention of the Chair of the Resources or Chair of Governors for discussion as to appropriate remedial action. The Resources Committee meets at least termly and is presented with a quarterly budget report, which shows expenditure to budget with percentage consumed, a forecast of the year-end position and the out-turn for the last financial year. The Governing Body also receive the latest quarterly report at the next appropriate meeting. The Executive Headteacher and SBM scrutinise the amount held centrally by Camden for salaries. Monthly profile reports are created for monitoring purposes and unexpected patterns are charted.

6. Stock and Inventories

An asset register is created and updated annually during the summer holidays. Single items over the value of £1,000 (as per Camden's Scheme for Financing Schools 2013) and items of significant value e.g. PA system, will be entered onto an asset register by the SBM. The asset register includes the item, date of purchase, value, serial number, make and date of security marking.

Each Subject Leader is responsible for ensuring that resources are adequately cared for and used effectively to enhance the quality of teaching and learning.

School property is not to be removed from the premises.

Any damage, loss or theft of equipment is reported in writing to the Executive Headteacher without delay for pursuance of claim and updating of records.

All assets which become obsolete are recorded and means of disposal noted. Disposal is logged in the asset register and signed by the Executive Headteacher and the SBM or marked as returned to the LA if the item is on loan. If the item is ICT equipment, disposal must be authorised by a member of the Resources Committee, who is not a member of staff. Wherever possible, items for disposal are passed on to pupils or offered to other schools rather than being thrown away.

For equipment which has a residual value of over £100 but is no longer required by the school, Resources approval must be sought prior to disposal.

Extract from Camden's Scheme for Financing Schools:

2.1.4 Control of Assets

The Authority's financial regulations set down the basic requirements for the control of assets, via inventories, for schools. The Governing Body should ensure, at least once a year, that such an inventory is in place. Schools must keep an inventory of their moveable non-capital assets over £1,000 in a form determined by the authority. A copy of this form is included in the Camden Financial Guidance for Schools document. The financial regulations, as they apply to schools, are set out at Appendix 1 to this scheme.

7. Financial Management Procedure

School Governors have agreed a set of financial regulations which must be followed. These are included at Appendix 1. All staff responsible for budget management are expected to follow these procedures.

7.1. Financial Management Cycle

Financial planning and monitoring needs to be built around the academic year, the calendar year and the financial year in relation to each other. It is essentially a cyclical process.

January

- Executive Headteacher, SBM and Governors re-evaluate the predicted budget outturn.
- The LA provides indicative budget figures based on the October census.
- Budget estimates are drawn up for the new financial year.
- Subject Leaders and Budget Managers review and evaluate progress and levels of provision within their area of responsibility (with reference to school development priorities and individual action plans).
- Budget managers monitor outturn and underspends -overspends managed in consultation with the Executive Headteacher.
- Budget managers begin the process of formalising bids.

February

- Final draft prepared on the basis of LA final/indicative figures and considered by the Resources Committee and FGB.
- Governors submit Schools' Financial Value Standard report to LBC.

March

- Finance officer follows up on outstanding invoices, unpresented cheques and commitment orders.
- Final check on High Needs Block reimbursements.
- Final budget approved by the Governors and submitted to the LA.

April

- Annual school development review starts with annual staff reviews and curriculum progress reviews.
- Governors and staff discuss and ratify short and long term priorities in SIP.
- Remaining decisions for identified priorities finalised.
- Executive Headteacher and SBM set up new budget on accounting programme and prepare for closedown of previous financial year.
- Final accounts sent to LA.
- End of year statements reconciled with central and bank accounts.

May

- Executive Headteacher presents draft staffing model for the next academic year to the F&P Committee following the staff resignation date.
- Final staffing levels agreed and approved by Governors.
- Budget Managers notified of new final budget figures.

June

- Executive Headteacher and SBM present final budget out-turn report from previous year.
- Consistent Financial Report submitted to LBC for onward transmission to DfE.

July

- School profile prepared.
- Summer term check on High Needs Block reimbursements.

September

- Teaching staff salary reassessment notified.
- Budget adjusted to accommodate new grants and revised staffing structure.

October

- September Budget report to Resources Committee.
- School Census figures submitted to LBC.

November/December

- Mid-year monitoring report to Governors.
- Underspends/overspends identified and managed.
- Autumn term check on High Needs Block reimbursements.
- Draft budget for next financial year produced based on indicative figures.

8. Schedule of Tasks in Financial Management

Weekly Tasks:

Finance Officer

- raise orders/invoice and payments
- petty cash maintenance
- preparation for banking
- collate any agency staff timesheets/maintain attendance spreadsheet
- raise cheques
- collect and record dinner money/submission of weekly numbers to LBC
- maintain computerised and manual records of numbers and income
- maintain and submit school trip records for insurance purposes
- administers school credit card payments

Executive Headteacher and SBM

- authorise overtime
- authorise orders
- approve payments
- sign cheques (Executive Headteacher only)

Monthly Tasks:

Finance Officer

- maintain and reconcile school fund accounts
- prepare reports for Subject Leaders
- agree reconciliation of school meal costs to central deductions

SBM

- check salary printouts and post salary journals
- inform payroll of salary errors
- prepare staff changes notification
- authorises petty cash withdrawal
- reconcile public account bank statements
- reconcile fusion report transactions to Central Fund
- prepare monthly report for Executive Headteacher
- agree and sign petty cash reconciliation
- check response to salary changes
- agrees High Needs Block schedule

Executive Headteacher

- monitor monthly report and review spending
- check and sign changes forms
- sign Central Fund reconciliation
- sign bank reconciliation
- sign School Fund reconciliation

Termly:**SBM**

- quarterly returns submitted to LA
- VAT claim submitted to LA
- check payment of claim for accuracy on Fusion report

Executive Headteacher and SBM

- check all claims and returns for accuracy
- prepare outturn reports for the Resources committee
- additional resource requirements to Resources committee for approval

Annually:**Finance Officer**

- preparation for financial year-end
- P11D for Camden

SBM

- close down at year-end School Cash Office software
- all work associated with closing of end of year accounts
- production of CFR return
- enter the new budget on accounting programme
- submit all returns required by the LA e.g. Taxes Management Act s16
- return, ensure completion of lettings summary, PD11D
- prepare draft budget and submit to the governors

Executive Headteacher

- prepare staff salary re-assessment notification for staff and payroll
- invite bids from Subject Leaders
- lead on school improvement plan review and resource implications
- advise Governors on financial implications of SIP review
- advise Governors on purchase of Service Level Agreements
- review contracts and terms for services and maintenance
- arrange for audit of school funds
- analyse bids and recommend resource levels for each area to Governors
- plan for pupil premium and all grant-aided funding
- review development allocation

Governors

- annual evaluation of School SIP
- approve annual budget
- approve annual increments and allowances on staff salaries
- maintain register of Governors' business interests (LA Clerk)

9. Levels of Delegation

The Governing Body shall agree the budget for the financial year but from time to time there will be circumstances when amendments need to be made in accordance with changes in staffing and pupil levels, emergencies and other unexpected expenditure or responses to government initiatives. In addition, Governors and staff need to be clear about their responsibilities in respect of the limits on individual budgets. The Governing Body have therefore agreed the following limits of financial delegation:

9.1. **Resources Committee**

Has delegated responsibility for all expenditure within the agreed budget and for expenditure up to £20,000 from contingency.

9.2. **Executive Headteacher**

Has responsibility for expenditure within the agreed budgets for staffing, curriculum resources and improvement and for expenditure from contingency for up to £20,000 (as per Camden Financial Regulations). All such expenditure must be reported to the next meeting of the Resources Committee

9.3. **Site Services Officer**

Has authority to spend within the agreed premises development and maintenance budget.

9.4. **Assistant Executive Headteacher and SBM**

With responsibility for continuing professional development and preparation, planning and assessment budget cover has delegated authority up to a limit of £2,000 for expenditure from the training budget and from the supply budget for all leave for sickness and long term absences.

9.5. **Core SLT**

Have responsibility for collating and monitoring subject lead action plans.

9.6. **Subject Leaders**

Have delegated authority for expenditure from the curriculum budgets as determined by the Core Senior Leadership Team.

Torriano Primary School Financial Procedures

1. Purchasing, Cash Handling and Security Procedures

1.1. Orders for all works, goods and services to be supplied for school use must be issued on an order form. If an order is placed by e-mail or over the internet, a print-out of the order must be obtained or, in the absence of a print-out an order raised simultaneously, and signed by the Executive Headteacher. The school Finance Officer is responsible overall for issuing order numbers. In any event, e-mailed or internet orders need to be approved by the Executive Headteacher prior to being placed.

1.2. All orders are signed by the Executive Headteacher, Director of Inclusion or SBM who are the responsible officers for authorising the orders issued from this school.

1.3. An order form need not be used where a contract for works, goods or services exists for the supply of public utilities, periodical payments, such as rent or rates, or for petty cash payments.

1.4. As far as possible petty cash purchases should be avoided. Planned expenditure is easier to manage and cost effective. Cash purchases from retailers do not always result in best value for money, unless there are extra special offers or the transaction is a relatively small one e.g. buying fish food once a month. Receipts must be handed in for all purchases made in cash before reimbursements can be authorised.

1.5. A completed order is given to the Finance Officer who passes this to the Executive Headteacher or SBM for approval and authorisation. Once authorised the order is sent to the supplier and a copy is filed in the office.

1.6. The Finance Officer maintains a record of orders/purchases made.

1.7. When orders/services have been delivered, the Budget Holder (Subject Leaders, site supervisors, project managers) is responsible for ensuring a thorough check of the delivery is made against the delivery note. If there is a shortage on the delivery it is recorded on the delivery note. All equipment must be security marked and books identified with the school stamp. After due checks the delivery notes are returned to the school Finance Officer and they stamp the invoice with the date received.

1.8. The Finance Officer examines, verifies against the delivery note and certifies all the invoices for payment. Before certifying the invoices, the officer must be satisfied that:

1.8.1. The work or goods to which the account relates have been received /carried out, examined and approved.

1.8.2. The prices, expenses, calculations, trade discounts, other allowances, credits and tax are correct.

1.8.3. The expenditure is within the budget. The Finance Officer consults the Executive Headteacher or SBM on this if necessary.

1.8.4. The account has not been previously passed for payment and is a proper liability of the school.

1.9. The Finance Officer completes and passes the invoices to the SBM for authorisation. Once all invoices for the period are posted, the SBM checks the coding and costs, the Finance Officer authorises on the accounting system the invoices for payment then proceeds to a cheque run. Details of payment and cheque numbers are recorded on each invoice. If cheques are raised manually, on each cheque stub the Finance Officer writes the invoice number. If the cheque is for more than one invoice the individual amounts are detailed. The cheques with the remittance advices then pass to the Executive Headteacher for signature. Invoices are filed by supplier by cheque number. Unpaid invoices are retained in the Finance Officer's in-tray until all documentation is complete.

1.10. The Budget Holders must be aware that the certification process is of no value where no official order exists. It also important to be able to demonstrate to auditors that the function of placing orders is properly separated from the certification of payment.

1.11. Each Budget Holder is responsible for their budget.

1.12. Authorisation Procedure

Stage	Personnel	Action
1	Member of staff requesting order	Speaks to budget leader (subject lead) or SLT regarding order required
1	Budget Holder (subject lead)	Approves or declines this from their budget
2	Finance Officer	Prepares order for authorisation from Executive Headteacher, Director of Inclusion or SBM
3	Executive Headteacher / Director of Inclusion / SBM	Signs order
4	Finance Officer	Places order, checks delivery and signs delivery note
5	Finance Officer	Posts invoice
6	SBM	Checks code and costs
7	Executive Headteacher / SBM	Authorises payment
8	Finance Officer	Authorises payment date
9	Finance Officer	Raises cheque
10	Executive Headteacher and Director of Inclusion	Sign cheque

2. Value for money

The school annually reviews contract arrangements to ensure that a quality supply or service is received at a competitive price. A variety of catalogues is available for curriculum purchases and budget holders are advised of the need to seek competitive prices. General stock is maintained at adequate levels to support efficient delivery of the curriculum and any bulk purchases for discount taken into consideration.

2.1. For purchases or services over the value of £1000 normally three prices will be compared.

2.2. For goods or services over the value of £10,000 three written quotations must be obtained and approved by the Resources committee unless expenditure has already been agreed and authority to determine the supplier delegated to the Executive Headteacher.

2.3. A selective tendering procedure is effected for contracts over the value of £25,000 in accordance with LBC Finance Regulations which will normally be managed under the aegis of the LA and contractors will need to be on the Council's approved list.

2.4. The Resources Committee will maintain a record of tenders but in all events will record decisions and reasons as to why the lowest tender may not have been accepted. For other quotations, records of alternative quotations are passed to the SBM and reasons noted if the lowest quote was not accepted. Documentation may comprise written quotations, print-outs of internet offers, copies of catalogues or, in exceptional circumstances, a record of a telephone conversation.

2.5. The selection of contracts valued at more than £100,000 must be reported to the Director of Children, Schools and Families.

3. Credit Notes

Credit notes are posted onto the system and cheques are raised for the balance showing against the account. The credit note is filed with the invoice.

4. Inspection Copies

Suppliers are advised not to send inspection copies and all books, CDs or DVDs must be requested by the normal ordering procedure.

5. Incomplete Orders

Orders which have been raised but where deliveries have not been received in full are retained in a separate file until completed. The file is checked at least monthly and the Finance Officer contacts the supplier if delivery has not been made within a reasonable time.

6. School Mail

School post is opened by a member of the admin team (Receptionist, Finance Officer or SBM). Invoices are passed to the Finance Officer and all items of a financial importance are passed to the SBM.

7. Cheque Signatories

7.1. Helen Bruckdorfer

7.2. Michelle Rae

7.3. Patricia Salisbury

8. Monitoring Contracts

8.1. The Executive Headteacher may sign contracts for goods and services not in excess of £10,000.

8.2. Contracts for goods and services in excess of £10,000 must be signed by the Chair of Governors or as authorised by the Governing Body by two other members.

8.2. The Executive Headteacher is responsible for monitoring all contracts in the school although this may be delegated as appropriate to the SBM or Premises Manager. The Executive Headteacher will ensure that the contract adequately describes the service required although for building maintenance and capital works this may be delegated as appropriate.

9. VAT on Trips and Income

The school is registered for VAT through Camden LA. VAT returns for sales and purchases are submitted to the LA at the end of each quarter.

9.1. Input VAT is recovered on invoices paid from public funds. The school does not claim VAT on trips and other expenditure funded from school non-public funds.

9.2. Invoices for external lettings of the school are gross of VAT where applicable. Output VAT is accounted for at the end of each quarter and the payment off-set against the input VAT claim.

10. School Funds

The Finance Officer is responsible for all maintenance of non-public monies and the same procedures are maintained as for public monies. The accounts are audited annually and a statement of income and expenditure presented to the Governing Body each academic year.

11. Insurance

The school's insurance arrangements for the contents of the school are with the LA. Buildings insurance is the responsibility of the LA although the premium is deducted from the school's budget. In the event of a school letting when the hirer does not hold insurance, a levy of 5% of the hire fee to cover Insurance Premium Tax is charged.

12. School Accounts with Suppliers

The school operates some accounts with large suppliers or for routine premises requirements. Orders are raised retrospectively and invoices are sent to the school. When any employee of the school orders from such an account holder a letter of authorisation is taken together with a form of ID.

13. Telephone, Internet and Credit Card Purchases

13.1. Telephone orders are not permitted except in emergency circumstances or matters of expedience such as failure of equipment. In any event they must be authorised by the Executive Headteacher and a hard copy confirmation order sent for telephone orders. The school may not accept responsibility for the payment of unauthorised orders.

13.2. Internet purchases may be made by the Finance Officer using the school credit card.

13.3. Credit card purchases are made only by the Executive Headteacher, Director of Inclusion and Finance Officer in accordance with the school's credit card policy and procedure. The cards are held in the school safe by the Finance Officer, who carries out a monthly reconciliation of invoices to statements.

13.3.1. The cardholder requests the card from the Finance Officer and signs and dates the schedule by way of receipt.

13.3.2. Most purchases are by internet or telephone (train tickets). Once the transaction is complete, the card is returned to the Finance Officer.

13.3.3. The Finance Officer signs the schedule to acknowledge return.

13.3.4. The cardholder provides the invoice and other supporting paperwork to the Finance Officer.

13.3.5. Invoices are logged by the Finance Officer on a spreadsheet in preparation for reconciliation against the credit card statement.

13.3.6. The Finance Officer checks the individual payments against the invoices and signs and dates the statement.

13.3.7. The cardholders check and tick their own items of expenditure and sign and date to verify.

13.3.8. When the SBM reconciles the bank statements, the invoices are checked against the statement and entered onto the accounts programme analysed to the relevant expenditure codes. The amount drawn down is agreed to the credit card statements.

13.3.9. The credit card policy is at Appendix 3.

14. Security

14.1. The SBM and Finance Officer have access to the school safe via key code. Cheque stationery is stored in the safe. Payroll information is kept in a safe cupboard in the SBM office. Access to the administration area is controlled by a coded key pad on the entrance door.

14.2. Back-up of the computer system takes place remotely overnight by Camden IT support. There is an automatic virus scan which runs at regular intervals throughout the day. Test restoration of data is carried out annually.

14.3. School keys are held by the Executive Headteacher, the Site Supervisor and a key-holding company. The Executive Headteacher will progress investigation of damage and as soon as possible will ask the staff to check for losses against the inventories. The police are then advised of losses. The LA is informed of losses in excess of £1000.

15. Payments to the school office

15.1. The school office is cashless, all payments (meals, trips etc.) are made via card in the main office or online. Money is deposited at the bank into the school's main bank account by the site supervisor at variable times. The paying-in slip is prepared by the Finance Officer. The Site Supervisor provides a receipt from the bank and the Finance Officer attaches this to the deposit.

15.2. All school receipts from pupils for meals and trips are recorded on the MIS Arbor or Tucasi (only EYFS extended provision payments). Receipts are produced and uploaded to the parent portal Arbor system. Card payments produce a paper receipt for the customer and for the school when paid in the office.

16. Petty Cash

Petty cash is maintained and recorded by the Finance Officer and payments authorised by the Executive Headteacher and SBM if payment is under £20.

16.1. Petty cash is kept as an imprest up to a level of £300. Cash is kept in the school safe and cash payments are limited to £20 otherwise a cheque must be accepted. In exceptional circumstances, for example, purchase of refreshments for meetings and visitors, petty cash reimbursements up to £40 may be made.

16.2. To avoid numerous cash transactions for minor premises purchases, the Site Supervisor uses a local supplier. An internal requisition is drawn up by the Site Supervisor and authorised by the Executive Headteacher. The requisition is taken to the supplier and the school invoiced direct. The Finance Officer will check the items on the delivery note against the requisition and invoice.

16.3. Postage stamps are mainly purchased by cheque.

16.4. Petty cash in the tin is reconciled monthly to receipts by the Finance Officer, signed off by the SBM and agreed to the computer system by the SBM.

17. Payroll

17.1. The Executive Headteacher holds details of all employees and pay scales. Each month the SBM inputs the salary payments onto the spreadsheet monitor. This is checked monthly and variations brought to the attention of the Executive Headteacher.

17.2. Overtime is authorised by the Executive Headteacher, Director of Inclusion or SBM; forms for overtime are kept in the office. The member of staff working overtime completes the forms and this is signed off by the Executive Headteacher, Director of Inclusion or SBM. Receptionist sends authorised timesheets to Camden Hr. SBM reconciles salaries. The Chair of Governors' signature is required for variations to the Executive Headteacher's salary.

17.3. When invoices arrive from the agency for supply staff, the Finance Officer checks the amount, employee and reason for cover. The Finance Officer then ensures that the invoice is allocated to the correct budget code.

18. Travel Expenses

These are normally claimed through petty cash for local fares or the cost of train fare is reimbursed for long distance travel. The school adheres to the Camden LA policy for rates paid for petrol mileage. Where payments have been made by Oyster card, the Finance Officer checks the school diary to confirm the journey has been made on the date stated. Pre-paid Oyster cards are provided to staff traveling. Oyster cards are reconciled by the Finance Officer.

19. Lettings

The school's lettings policy has been approved by Governors with the aim of letting the school for community purposes at a favourable rate to cover overheads only. Invoices for lettings are kept in the income file in the office. The school limits the number of debtors for lettings by requesting a prepayment of the hire charge.

20. Debtors

20.1. Should a debtor arise, the matter is vigorously pursued by the Finance Officer and SBM but may be brought to the attention of the Resources Committee if resolution is unsuccessful. The Executive Headteacher may write-off debts up to £100.

20.2. Debts over £100 must be referred to the Resources Committee for writing off. Debts over £1,000 can only be written off by the Governing Body.

20.3. Monies received by the school from pupils are limited to contributions for school trips and meals. In accordance with the school's charging policy, pupils are not precluded from attending trips if they do not make a contribution and are not thus regarded as debtors. School meals are provided to pupils who are entitled to free school meals by the LA and the school collects monies from other pupils and staff. This is paid into the school's bank account and allocated to offset the full cost of the school meal provision. The school uses its best endeavours to recover monies owed for meals and at each half term the administrative officer produces a list of defaulters for consideration by the Executive Headteacher and further action as appropriate.

21. Other Disposals and Write-offs

21.1. The Executive Headteacher may authorise the disposal of an asset valued at less than £300. A valuation will take into account the market value as well as the written-down value. Any disposal of assets over £300 but under £1,000 must be agreed by the Resources Committee or Governing Body. Any disposal of assets between £1,000 and £10,000 must be agreed by the Governing Body. Disposals over £10,000 must

be agreed by the Governing Body and approved by the Director of Children, Schools and Families. Any disposal of assets to staff, parents or governors will require the approval of the F&P Committee or Governing Body.

21.2. Annually the Executive Headteacher will produce for approval a list of equipment for disposal. Items with any residual value may need to be referred to the F&P Committee if the total residual value exceeds £100.

22. Transfer of Responsibility.

In the absence of key personnel in the financial chain it is essential that continuity of the school functions is achieved by temporary replacement. Holiday cover shall also be taken into consideration and Torriano Primary School has made the following arrangements for replacement personnel to assume other functions:

	<u>Original</u>	<u>Replacement</u>
A.	Executive Headteacher	Head of School / Director of Inclusion
B.	Finance Officer	School Business Manager
D.	SBM	Executive Headteacher
E.	Administrative Assistant	Finance Officer

23. School Uniform

The school does not sell uniforms.

24. Self-employed contractors

24.1. Self-employed personnel can be engaged to provide a service only with the approval of the Executive Headteacher.

24.2. The contractor must provide their self-employed tax registration number and evidence of their public liability insurance. A DBS reference is also required if appropriate.

25. Retention of Documents

25.1. School records of staff pay and all other financial documentation must be kept available for inspection by Camden LA / DfE officials, HM Revenue and Customs or appointees of the National Audit Office for a minimum period of six years. Financial documents relating to the current and last financial year are held in the school administration office; documents relating to the previous five financial years are stored in the archived folders. It is recommended that delivery notes are retained only until the end of the subsequent financial year.

25.2. It is recommended that pupils' records are retained until the pupil is aged 24.

Appendix 2

The Governing Body of Torriano Primary School Best Value Statement

Introduction

The Governing Body are the representatives of the stakeholders in the school and acknowledge their role to ensure that investment in resources, both human and educational, achieve the maximum benefit to enhance and improve the quality of education delivered to all pupils. To this end, the governors have agreed procedures which strive to attain value for money at all times.

Governors will apply the principles of best value:

- 1. To challenge** the school's performance and call the Senior Leadership Team to account. Governors will question the necessity and validity of respective targets and the school's means of attaining and monitoring those targets. Governors will query the effectiveness and efficiency of methods of achievement.
- 2. To compare** the school's standards and achievements both internally through year groups and curriculum areas and against other schools. Governors will consider the steps which can be taken to address poor comparative performance and the cost implications of attaining the standards of better performing schools.
- 3. To consult** with stakeholders, which include not only pupils, parents, staff and the Local Authority but the wider community, employers and local schools. Governors will strive to support the school in establishing effective and enduring partnerships to meet the needs and expectations of its stakeholders
- 4. To compete** by producing a high standard of education in a fitting environment. The Governors will obtain good value by establishing a sought-after school on the foundation of its own principle of obtaining resources and supplies at fair but competitive prices. The Governors will also place a high value on quality and reliability of supply as well as loyalty of the supplier, applying the principles of ethical and sustainable purchasing.

Implementation of Best Value

The Governors and school leaders will apply the principles of *best value* when making decisions about:

- the allocation of resources to promote the aims and values of the school
- the targeting of resources to improve standards and the quality of provision
- the use of resources to support the various educational needs of all pupils

This will apply to all aspects of staff employment, quality of learning, school environment and pupils' welfare.

In particular Governors and school leaders:

- will not waste time and resources on investigating minor areas where few improvements can be achieved
- will always strive to manage resources in order to achieve efficiency

The pursuit of minor improvements or savings is not cost effective if the administration involves substantial time or costs. Time wasted on minor improvements or savings can also distract management from more important or valuable areas. Levels of cost effectiveness are detailed in the Value for Money section of the School's Financial Procedures and shall be determined by the Resources Committee as part of the annual review of the Finance Policy.

Use of Premises

Governors and school leaders will consider the allocation and use of teaching areas, support areas and communal areas, to provide the best environment for teaching and learning, for support services, and for communal access to central resources.

Use of Resources

Governors and school leaders will deploy equipment, materials and services to provide pupils and staff with resources which support quality of teaching and quality of learning.

Teaching

Governors and school leaders will review the quality of curriculum provision and quality of teaching, to provide parents and pupils with a curriculum which meets the requirements of the National Curriculum, is in accordance with the ethos of the school and assures the stakeholders that the school has given priority to the Every Child Matters agenda.

Learning

Governors and school leaders will review the quality of pupils' learning across the curriculum and through the SATs in order to build on past successes.

Purchasing

Governors and school leaders will develop procedures for assessing need, and obtaining goods and services which provide "best value" in terms of suitability, efficiency, time and cost.

The Governing Body will monitor best value through:

- In-house monitoring by the Senior Leadership Team and Subject Leaders.
- Target setting meetings between the Executive Headteacher and Subject Leaders.
- Annual performance management.
- Regular financial reviews against the annual budget plan.
- Analyses of school pupil performance data.
- Analyses of comparative pupil performance data to include LB Camden and Raiseonline.
- Analysis of comparative financial data in particular through the CFR benchmarking website.
- OFSTED Inspection reports.
- The Governing Body Committees and full Governing Body meetings.

Appendix 3

Torriano Primary School Credit Card Policy

1. Scope

This policy statement applies to all employees authorised to use a credit card at Torriano Primary School and/or are allocated a specific role in the control over the use of such cards.

2. Aims

The Governing Body seeks to ensure effective and robust procedures to ensure proper use of the credit card within the school and prevention of financial loss.

3. Responsibilities for scheme

3.1 The Governing Body has delegated to the Resources Committee the task of ensuring adequate procedures and arrangements are in place for the operation and control of credit cards. The Resources Committee will be responsible for deciding which employees/posts may be issued with a card, the person responsible for administering the scheme, a reviewer and the main contact for the bank. Limits on individual use and the types of transactions for which the cards may be used will be set by the Resources Committee.

3.2 The Resources must monitor regularly the type of transactions made and number of credit cards issued. In addition, each autumn term an annual review of compliance with this policy and the policy itself must be undertaken by the Resources Committee with the outcomes and any recommended changes reported to the full Governing Body for approval.

4. Requirements of individual cardholders

4.1. Issue and Safekeeping of Credit Cards

- The individual staff members that may hold a credit card will be authorised by the Finance Committee.
- Credit cards must not be issued to, or be used by, the administrator or any member of staff who has not signed the policy and procedures document or received training on the school rules and procedures for use of credit cards.
- The cardholder must sign the card immediately upon receipt.
- Credit cards must be kept in a locked safe on the school premises.
- The card should not be taken on holiday or abroad unless on an official school trip.
- Individuals should keep a separate note of the card number in a safe place together with a note of the bank's emergency telephone number so they can report immediately if the card is lost or stolen.
- A written record of the PIN number or password must not be kept or passed to others.
- On leaving the employment of the school, or where the employee is no longer an authorised user, the individual should cut the card in four through the signature box and CHIP and return to the Executive Headteacher or School Business Manager with a full account of any outstanding expenditure. The School Business Manager will advise the credit card company to block further transactions against that card, and the card will be destroyed.

4.2. Loss or Theft of Credit Cards

If a credit card is lost, the cardholder must:

- Contact Natwest immediately via their 24 hour service – telephone number 0870 6000 459 quoting the card number. A delay in contacting Natwest may result in unauthorised use of the credit card for which the school may hold the card user liable.
- Inform the Executive Headteacher and School Business Manager as soon as the loss is discovered and the police if the loss is a result of theft, obtaining a report number.
- If the card is subsequently found, it should be cut into four (through signature and chip) and passed on to the School Business Manager.
- An emergency replacement card can be provided by the bank within 1-3 days depending on location.

4.3. Use of Credit Cards by Individuals

- The card must only be used for purchases relating to school activity and never for personal items.
- The card must not be used to withdraw cash, exceed the cardholder spending limit or individual transaction limit, or undertake transactions that are blocked by the school.
- The cardholder must ensure that the price for the goods/service being supplied is reasonable and that they are not aware of a cheaper method of purchase unless this has been authorised by the Executive Headteacher as a matter of expedience.
- All transactions must be in the name of the school and a VAT invoice obtained where VAT is charged (failure to comply with this will result in increased costs to the school as it will not be possible to reclaim the VAT from the government).
- cardholders must at all times comply with the School's Finance Policy and Best Value Statement
- The cards shall not be used for personal expenditure under any circumstances.
- Cash withdrawals are not permitted.
- All receipts shall be authorised by either the Executive Headteacher, Chair of Governors or a designated person.

5. Transactions control by administrator and reviewer

5.1. The administrator (Finance Officer & School Business Manager) will ensure that:

- A central record of all credit card users and credit cards issued, detailing card numbers, spending limits, issuing and expiry dates is maintained.
- The information supplied by Natwest is checked and all transactions are reconciled and cleared at the end of each month.
- The credit card balance shall be settled in full automatically each month by direct debit thereby avoiding credit card interest charges.
- Cleared items are posted into the school accounting system in a timely manner (ensuring correct recording of VAT).
- Ensure that the correct amount has been charged to the bank statement.
- Pass all documentation for that month to the independent reviewer (Executive Headteacher).
- Checked transaction logs are received every month from each cardholder plus copies of VAT invoices.

5.2. The independent reviewer (Executive Headteacher) will:

- Review the log of any changes to authorisation levels for that month and the issue of new cards to ensure compliance with the school's policy.
- Review monthly summaries to ensure items have been checked and reconciled.

- Report to the F&PC each term that the reviews have been carried out for the period and bring any discrepancies to the attention of the F&P Committee.
- Report directly to the Chair of Governors any concerns in respect of misuse of the card.

Torriano Primary School Credit Card Cardholder Consent Form

I consent to be a cardholder on the following credit account held by **Torriano Primary School**.

Credit/Debit Card Issuer: _____

Card Number: _____

I confirm that I have read the **Torriano Primary School Credit Card Policy** and that I will abide by its terms and conditions.

In particular I acknowledge and agree that:

1. I will use the account only to purchase items/services on behalf of the school and not use the account for any personal expenditure.
2. I will only purchase items/services in accordance with the policy.
3. I will take care of the card whilst in my possession to avoid its loss or theft.
4. I will not disclose to any other person, or write down, the Card PIN number.
5. I will only use the card security number for online purchases where a security number is requested and only on a secure (indicated by padlock symbol) internet website
6. I will not use the card to withdraw cash
7. I understand that upon discovery of loss or theft of the card, I must (as soon as possible) notify:
 - a. the issuing bank; and
 - b. the SBM or Executive Headteacher; and
 - c. the police (only in the event of theft)
8. I understand that I am personally liable for all charges on the account which relate to transactions which have not been conducted in accordance with the policy.
9. I accept that I must reimburse the school promptly should I cause the account to incur any unauthorised charges and in the absence of prompt reimbursement, I authorise the school to recover all unauthorised charges by deduction from any amounts otherwise owing to me by the school, including but not limited to salary and expenses.
10. I agree that, when not required for purchases, I will return the card for safekeeping in the school safe, to either the Finance Officer or School Business Manager.
11. I agree that if I cease to be employed by the school I will return the card to the Executive Headteacher.

Agreed By	Authorised By
Name:	Executive Headteacher:
Date:	Date:
Signature:	Signature: