

# Ben Jonson Primary School



## Scheme of Delegation 2016 - 2017

**Date reviewed:** 15.03.16

**Signed:** \_\_\_\_\_

**Date due for review:** March 2017

## Introduction

The governing body of Ben Jonson is responsible for ensuring that regulations as set out in the Tower Hamlets' Scheme for Financing Schools and in the School Financial Procedures Manual are adhered to.

In practice many of the governing body's financial responsibilities are limited by Tower Hamlets, which has to authorize certain decisions in advance; or will need to be delegated to a committee of the governing body and/or to the Headteacher. To ensure that sound financial control is maintained it is essential that the extent of delegation be clearly specified in writing, which is the purpose of this scheme.

Although decisions may be delegated, the governing body as a whole remains responsible for any decision made which it has delegated.

## **Ben Jonson Primary School Scheme of Delegation**

### Governing Body

The governing body (GB) has approved this scheme of delegation of its financial powers and duties to its Resources Committee and to the Headteacher and other school staff. The GB accepts responsibility for the design of the Scheme (SoD) and for its actions as set out in the SoD.

The SoD will be reviewed by the GB and approved on an annual basis or whenever significant changes need to be recorded. The approval will be formally minuted and the SoD attached to the minutes and certified as correct by the Chair of the GB.

### **Budgets/Budgetary Control (S8, Finance Manual<sup>1</sup>)**

A1. The GB will formally approve (and minute the approval of) the school's budget plan annually. A copy of the plan, certified by the Head and Chair of Governors, will be submitted to the Tower Hamlets Schools Finance by the specified deadline. The GB will ensure that when arriving at the Budget plan the long term School's Improvement Plan has been taken into consideration and that links between the two documents are well established.

A2. The GB will receive and consider on a quarterly basis a year-end forecast report in order to monitor the school's financial position. This report and discussions around it will be recorded in minuted meetings.

A3. The GB will receive and consider budgetary control reports at every meeting from the Resources Committee with relevant explanations and documentation where required. All reports will be issued ahead of any meetings and the discussion of such reports/documents will be minuted and copies of the documents signed by the Chair.

A4. The GB will review the annual Statement of Internal Control to confirm whether effective financial controls are in place and approve or amend (to be recorded in its minutes) the response suggested by Resources Committee to any inadequate controls or weaknesses found in the financial controls.

A5. The GB is responsible for producing the school's annual Best Value statement, demonstrating accountability for the way in which resources are used.

A6. The GB will ensure that the Tower Hamlets Schools Finance Team will be informed when the school wishes to meet expenditure of a capital nature from the revenue budget. (Guidance on capital expenditure is contained in the Schools Finance Procedures Manual).

A7. The GB may enter into operational leasing/contract hire arrangements only if the TH Schools Finance

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<sup>1</sup> This is where the requirement is to be found; further headings will contain such references where possible.

Team is satisfied that the method of finance is appropriate for the asset concerned, and that the best terms available have been secured. (Note: Schools are not permitted to enter into any financial leases, i.e. when the lease ends, ownership of the asset will not be transferred to the school.)

### **Chair's Urgency Powers**

A9. In the event of Urgency Powers being invoked by the Chair, this will be recorded in writing, and reported to the next meeting of the GB.

### **Register of Business Interests**

A10. The GB will ensure that there is a Register of Business Interests for all governors and school staff.

### **Ex-Gratia Payments**

A11. The GB may authorise any ex-gratia payments up to £500. Ex-gratia payments in excess of £500 require prior written approval by the Children's Schools Finance & Families Director. The GB should record all such payments in its minutes.

### **Write-off of debts (S28 Finance Manual)**

A12. The GB may authorise the write-off of debts above £500 and below £10,000 after informing the Schools Finance Team. Debts in excess of £10,000 may only be written off after consultation with the Children's Schools Finance & Families Director. The GB should record all write-offs in its minutes.

### **Lettings (S20 Finance Manual)**

A13. The GB will receive, consider and approve the Lettings Policy for the school, and the scale of charges for lettings. This shall be reviewed and approved on an annual basis.

### **Disposal of Assets (S19 Finance Manual, 2.1.6 Finance Scheme)**

A14. The Asset Management Policy provides detail in this area.

In summary, the Headteacher may authorise the disposal of surplus equipment and materials up to a maximum value for each individual disposable item of £250. Disposals of any items valued between £251 and £1,000 will be referred to the Resources Committee. Each item valued at over £1,000 will be referred to the Governing Body. Prior agreement of the Director of Children, Schools & Families must be sought to write off items in excess of £10,000. All disposal records will be signed by the Headteacher or the Deputy Headteacher.

## **Voluntary Funds (S25 Finance Manual, 2.8 Finance Scheme)**

A 15. The GB will receive and consider the independently audited accounts of all the school's voluntary funds each Summer term to cover the previous year ending 31st March. This item will be recorded in the GB minutes.

### **Orders**

A16. The GB will authorise all orders over £20,000.

## **B POWERS AND DUTIES DELEGATED TO Resources Committee (S3 Finance Manual)**

Resources Committee is responsible for:

### **General**

- B1. Exercising the powers and duties of the GB in respect of the financial administration of the school, except for those items specifically reserved for the GB and those delegated to the Headteacher, or those delegated to other staff by the Headteacher.
- B2. Reporting on all decisions taken under delegated powers to the next meeting of the GB.

### **Budgets/Budgetary Control**

- B3. Considering budgetary control reports on the school's financial position at every meeting; taking appropriate action to contain expenditure within the budget; and reporting to the GB.
- B4. Viring sums between and within budget heads in excess of £10,000, subject to a limit of £15,000. Details of all virements authorised by the Headteacher must be notified to Resources Committee which shall minute the notification. Virements above £15,000 will be notified to the LA's CSF Manager by the School Business Manager.
- B5. Reporting to the GB all significant financial matters and any actual or potential overspending.
- B6. Submitting a draft budget plan to the GB for approval and certification before it is sent to the Schools Finance Team.

### **Ex-Gratia Payments**

B8. Considering ex-gratia payments of up to £500 and asking the GB to authorize any such payments (see A12).

### **Lettings**

B10. Once a year, reviewing all fees and charges in relation to lettings, and propose to the GB any changes it considers appropriate.

### **Insurances**

B11. Once a year, reviewing insurances and making arrangements it considers necessary, in liaison with the Council's Insurance Department.

### **Disposal of Assets**

B12. Ensuring that there are annual independent checks of stock and inventory records. Taking necessary action if there are unexplained deficiencies.

B13. Authorising the disposal of individual items of equipment and materials that have become surplus to requirements, unusable or obsolete with original purchase values between £250 and £1,000. All such authorisations must be in accordance with the Asset Management Policy and be formally reported and minuted at the following GB meeting.

B14. Authorising when (if at all) school property may be removed from the premises otherwise than for educational purposes.

### **Voluntary Funds**

B15. Ensuring that all voluntary funds are properly administered and audited annually under the requirements of the Schools Financial Procedures Manual. Reporting on voluntary funds annually to the GB.

### **Orders**

B16. Any order between £10,001 and £20,000 must be authorised by the Resources Committee.

## **C. FINANCIAL POWERS AND DUTIES DELEGATED TO THE HEADTEACHER (s4 Finance Manual)**

### **Delegation of Headteacher's Responsibilities**

The Schools Standards and Framework Act 1998 permits a governing body of a school to delegate some of its financial responsibilities to the Headteacher in recognition of the practicalities of running a school. Similarly, the Headteacher may allow some of his/her responsibilities to be exercised by other members of staff, subject to written approval by the governing body, although he/she will remain accountable for the actions of these staff.

The Deputy Headteacher may be authorised by the Chair or vice Chair of Governors to act as Headteacher under this scheme if a matter is urgent or in the case of prolonged absence of the Headteacher.

The Headteacher is responsible for:

### **Accounts (2.1.5 Finance Scheme)**

- C1. The operation of financial processes within the school, ensuring that adequate operational controls are in place and that there is compliance with the Financial Procedures Policy.
- C2. Ensuring that full, accurate and up to date records are maintained in order to provide financial and statistical information and that the figures have been reconciled with the school's bank account.
- C3. Consulting the Schools Finance Team whenever a change of financial system or accounting package is considered.
- C4. Ensuring that all records and documents are available for audit and arranging for suitable office facilities for auditors.
- C5. Maintaining proper records of accounts.
- C6. Providing the Schools Finance Team with monthly financial returns.

### **Budgets/Budgetary Control (S2 Finance Scheme, s8 & s28 Finance Manual)**

- C7. Regular monitoring of expenditure and income against the approved budget; and submitting quarterly year-end forecast reports for approval of the GB and for submission to Schools Finance Team. These should identify and explain any actual or potential overspending.
- C8. Preparing an annual budget plan for consideration by the Resources Committee

before the start of the relevant financial year.

C9. Viring between and within budget headings up to a value of £10.000; this must be formally reported and minuted at the following Resources Committee meeting.

C10. Writing of bad debts up to £500; each such write off to be notified immediately in writing to Resources Committee.

### **Contracts (S2 Finance Scheme, s28 Finance Manual)**

C11. Exercising the following powers and duties of the GB in respect of Contracts.

- a) Ensuring that all contracts and agreements conform with the LA Scheme for Financing Schools.
- b) Receipt and custody of all tenders.
- c) Authorisation of senior members of staff to participate with at least one other authorized person in opening tenders.
- d) Signing contracts on behalf of the GB.

C12. Signing certificates where contracts require that interim and final payment are made on such certificates.

C13. Ensuring that the requirements of the Construction Industry Scheme are adhered to where applicable.

### **Income (S2 Finance Scheme, s27/s28 Finance Manual)**

C14. Ensuring the arrangements for collection of income are in accordance with the School Finance Procedures Manual.

C15. Ensuring that all income is accurately accounted for and is promptly collected and banked intact.

C16. Informing the GB about any uncollected income and possible write offs.

### **Information and communication systems**

C17. Ensuring that the standards of control for such systems in operation within the school include the use of properly licensed software, and that the security and privacy of data are in accordance with the Data Protection Act 1998 and the Freedom of Information Act 2000.

C18. Consulting with the Schools Finance Team, in respect of the introduction of any new Finance system, or the development of an existing system. Appointing and



managing a suitable person to control and secure IT systems and data, and ensure compliance with data protection.

### **Insurances (S10 Finance Scheme, s23 Finance Manual)**

C19. Notifying the Councils Insurance Officer of any eventuality that could affect the Council's insurance arrangements.

### **Lettings (s20.3 Finance Manual)**

C20. Varying lettings charges if/when it is considered necessary. The Resources Committee must be asked in advance to approve any proposed variation to the agreed scale of charges.

### **Orders for goods, works and services**

C21. Authorising orders for goods and services worth up to £10,000.

C22. Ensuring that arrangements for the ordering of goods, works and services are in accordance with the BJ FP Policy.

### **Payments (s2 Finance Scheme, s28 Finance Manual)**

C23. Ensuring the arrangements for processing payments are in accordance with the BJ FP Policy.

### **Salaries, Wages and Pensions (S2 Finance Scheme, s16 & s28 Finance Manual)**

C24. Ensuring that the arrangements for processing salaries, wages and pensions are in accordance with the BJ FP Policy.

### **Security of Assets (s2.1.4 Finance Scheme, s19 Finance Manual)**

C25. Ensuring the arrangements for security of assets are in accordance with the BJ Asset Management Policy.

C26. Ensuring that proper security is maintained at all times for all buildings, furniture, equipment, vehicles, stocks, stores, cash, information and records etc under his/her control.

C27. Maintaining an inventory, in accordance with the instructions in the School Finance Procedures Manual, of all items of furniture, equipment, vehicles and plant in excess of £50 value, or if considered to be easily portable and/or attractive

to a thief e.g. cameras below that value. The inventory record, whether manual or computerised, shall be a permanent and continuous record.

- C28. Where appropriate, arranging for the security marking of such items.
- C29. Arranging for annual independent checks and certification of stock and inventory records, in accordance with the instructions in the School Finance procedures Manual.
- C30. Identifying write-off of any deficiencies of individual stock and inventory items with original purchase values up to £250. Where the original purchase value is not available, the current market value should be used. All such write offs should be in accordance with the School Finance Procedures Manual and be formally minuted and reported to the Resources Committee.
- C31. Authorisation, in accordance with the instructions in the School Finance Procedures Manual, of the disposal of individual items of equipment and materials that have become surplus to requirements, unusable or obsolete with a realisable value of less than £250. All such authorisations should be formally reported and minuted at the following Resources Committee.
- C32. Ensuring that keys to safes and other similar receptacles are held under the close personal security of responsible staff at all times.

#### **D. FINANCIAL POWERS AND DUTIES DELEGATED TO THE FINANCE MANAGER AND OTHER MEMBERS OF STAFF (s5 Finance Manual)**

Members of staff with delegated responsibilities should be aware that these must be exercised in accordance with the Schools Financial Procedures Manual.

The following responsibilities are delegated to the School Business Manager.

##### **Accounts**

- D1. Operation of financial processes within the school, ensuring that adequate operational controls are in place, and that the principles of internal control are maintained in accordance with the LA Scheme for Financing Schools.
- D2. Ensuring that full, accurate and up to date records and documents are maintained in order to provide financial and statistical information and that the figures have been reconciled with the School's bank account.

##### **Audit**

- D3. Ensuring that all records and documents are available for audit.

### **Banking Arrangements**

- D4. Maintaining proper records of accounts in accordance with arrangements approved by the Schools Finance Team.
- DS. Providing monthly financial returns to the Schools Finance Monitoring Team promptly.

### **Budget/Budgetary Control**

- D6. Notifying the Schools Finance Team of any variations in the school's budget plan, approved by the Finance Committee at the beginning of each term.
- D7. Viring sums between and within budget headings up to a value of £1,000); although this must be formally reported and minuted at the following Resources Committee meeting. The Finance Manager will also process other virements notified to him/her as authorised by the GB, Finance Committee or the Headteacher. Proper records of virements must be kept.

### **Income**

- D8. Maintaining a record of all income held in the school and ensuring that all income is accurately accounted for, promptly collected and banked intact.
- D9. Ensuring that cheques received are cashed promptly and in accordance with School's Financial Regulations.
- D10. Ensuring that all receipt forms, books, tickets and other such items shall be ordered and issued in a form approved by the authorised officer.

### **Lettings**

- D11. Ensuring the correct administration and authorisation of lettings.

### **Orders for goods, works and services**

- D12. Ensuring that orders/tenders are properly authorized in compliance with this SoD.

### **Receipt of goods, and payments**

D13. Checking that goods are received only by the Headteacher, or Deputy Headteacher/Assistant Headteachers/Asset Manager

D14. Checking that only the following members of staff certify payments: Headteacher, Deputy Headteacher, Assistant Headteacher, School Business Manager.

*NB.* Checking that the certifying officer shall NOT be the person who ordered or received the goods.

D15. Ensuring that invoices, vouchers and other records are retained and stored in a secure way.

### **Salaries and Wages**

D16. Notifying the Payroll Provider of any matters affecting payments to employees of the school.

D17. Checking that only the following members of staff, in addition to the Headteacher, certify pay documents and time records (excluding documents relating to themselves): Deputy Headteacher, Assistant Headteacher, HR Manager.

### **Security of Assets**

D18. Responsibility for the receipt, care and safe custody and issue of stocks and stores.

D19. Where appropriate, arranging for the security marking of such items.

D20. Maintaining a record (Loans Book) in accordance with the instructions in the School's Financial Procedures, of all school property removed from the premises.

### **Petty Cash**

D21. Maintaining a petty cash balance that does not exceed £500

