Ben Jonson Primary School

Scheme of Delegation

Date reviewed: January 2022

Date due for review: January 2023

Introduction

The governing body (GB) of Ben Jonson Primary School 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 GB's financial responsibilities are limited by Tower Hamlets, which has to authorise 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.

A: Powers and duties held by the 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[1])

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 termly 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 information in the form of minutes 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.

The GB will receive and consider virements on the recommendation of the Resources Committee; their approval shall be documented in the GB meeting minutes.

A4 . The GB will review the annual Schools Financial Value Standard (SFVS) 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 I 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.

A7. The GB may enter into operational leasing/contract hire arrangements only if the TH Schools Finance 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 and that the register is published on the school website.

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 Director of Children's Services. 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 Director of Children's Services. The GB should record all write-offs in its minutes.

Lettings (S20 Finance Manual)
A13. The GB will receive, consider and approve the Charging and Remissions Policy (including the scale of charges for lettings). This shall be reviewed and approved on a triennial 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 £1000 (original purchase value). Disposals of any items valued at or above £1001 will be referred to the Resources Committee. All disposal records will be signed by the Headteacher. In all cases records of disposed assets will be brought to each meeting of the resources committee for scrutiny.

Voluntary Funds (S25 Finance Manual, 2.8 Finance Scheme)

A15. The GB will receive and consider the independently reviewed accounts of all the school's voluntary funds (held within the main school bank account) each summer term to cover the previous year ending 31st March. The independent review shall be carried out the School Business Services, the school's financial consultancy support. This item will be recorded in the GB minutes. The school maintains no separate bank accounts for voluntary funds.

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. The GB has agreed that virements can be authorised but will be kept to a minimum and will only be made to correct for significant (£10,000 or over) in-year changes to the approved budget plan (for instance significant staffing changes or income changes). All virements shall be considered in detail by the Resources Committee and approved and recorded in the committee meeting minutes for recommendation to the full GB.

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. Every three years, 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 is an annual independent check of the school asset register and checking disposal records at each committee meeting. 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 at or above £1001. Disposed asset reports and authorisations shall form part of the committee minutes which are reported at the following full 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 (held within the main school bank account) are properly administered and independently checked annually under the requirements of the Schools Financial Procedures Manual. Reporting on voluntary funds annually to the GB. The school maintains no separate bank accounts for voluntary funds.

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.

C7. Reviewing a copy of the school's bank statement on a quarterly basis, checking for any breaches of delegated financial limits.

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 Governing Body 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.

C10. Writing off 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 Governing Body in respect of Contracts.

a) Ensuring that all contracts and agreements conform to 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 Governing Body.

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 is 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 Governing Body 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 Financial Procedures Policy.

Payments (s2 Finance Scheme, s28 Finance Manual)

C23. Ensuring the arrangements for processing payments are in accordance with the Financial Procedures 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 Financial Procedures 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 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 asset register which records all significant resources and ICT assets in accordance with the criteria set out in the asset management policy. This asset register shall be a permanent and continuous record and be complete with an archive of all disposed assets.

C28. Where appropriate, arranging for the security marking of such items.

C29. Arranging for annual checks of the asset register, in accordance with the instructions in the asset management policy

C30. Authorising disposal of assets with an original purchase value of £1000 or less, in accordance with the asset management policy.

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 SCHOOL BUSINESS 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.

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.

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 scheme of delegation.

Authorisation from budget holders shall be required for all orders to be placed from their budgets. Orders will remain subject to approval from the Headteacher, within specified limits, before placing with suppliers. (Recommendation 2).

The Deputy Headteacher shall be responsible for requesting and arranging agency supply staff in accordance with the school's needs. The school business manager shall be responsible for authorizing agency staff timesheets. (Recommendation 22)

Receipt of goods, and payments

D13. Checking that goods are received only by a member of the administration team or another member of staff capable of confirming receipt of goods. Goods not to be received by the budget holder, finance officer or the Headteacher (segregation of duties)

D14. Checking that only the following members of staff certify payments: Headteacher, Deputy Headteacher, Assistant Headteachers; in accordance with the signed bank signature mandate

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 and HR manager. Carrying out the monthly payroll authorisation (once entered by the personnel manager and approved by the Headteacher. Carrying out the monthly payroll reconciliation and entering salary charges onto the finance system before bank reconciliation

Security of Assets

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

D19. In accordance with the asset management policy, overseeing the security marking of individual assets.

D20. Maintaining a within the asset register in accordance with the asset management policy, of all school property removed from the premises and loaned to staff.

Petty Cash

D21.The Governing Body has agreed the school should hold no petty cash funds. Ensuring that all reimbursements to staff are made via cheque payment only.

No staff expenditure reimbursement claims shall exceed **£150.**