



Mill Hill Primary School **Financial Administration Policy**

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Co-ordinator responsible for the policy in consultation with the staff and governors:

Business Manager

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Learning for a lifetime

Introduction

This policy has been written to give both the governing body and all staff within Mill Hill Primary School (the school) a clear definition of key staff members' financial delegation and roles and responsibilities.

The school adopts the Scheme of Financial Management of Schools annually in September, along with the Manual of Personnel Practice. This adoption is minuted.

Roles and Responsibilities

Role of County Council

The County Council will:

- Determine total resources available to schools collectively
- Allcoate resources to individual schools on the basis agreed, after consultation and in accordance with any relevant regulations
- Set out conditions and requirements within which governing bodies must operate
- Expect schools to conform to the highest public service standards in their stewardship of funds
- Monitor the performance of schools, give advice and take corrective action where necessary; in extreme cases, this may include withdrawing delegation and charging items against the school's delegated budget.

Role of the governing body

The governing body will:

- Have formal responsibility for the running of the school
- Together with the headteacher, draw up and carry out a school improvement plan for the school
- Be able to delegate authority but not responsibility to the headteacher
- Deploy resources and ensure they are used appropriately
- Determine the number of teaching and support staff
- Appoint and dismiss staff
- Formulate school policies, e.g. Health and Safety, Lettings, Pay etc.
- Provide such information as the county council requires
- Adopt the highest public service standards for the conduct of the school's activities
- Approve and monitor the school's budget.

The governing body should consider the extent to which it wishes to delegate its financial powers to the headteacher in the school and will record its decision (and any revisions) in its minutes. This should include the determining of set cash limits in terms of the decisions that can be made by the headteacher and other staff. The first formal budget plan of each year and a revised budget during the year must be approved by the governing body or by a committee of the governing body under the Education (School Government) (Terms of Reference) (England) Regulations 2000 and the School Governance (Constitution) (England) Regulations 2003.

Role of headteacher

The headteacher will:

- Manage the school's financial position at a strategic and operational level
- Have responsibility for the day-to-day running of the school, including effective systems of internal control and other financial issues
- Have a key role in helping the governing body draw up a school improvement plan for the school and carry it out
- Ensure financial statements are properly presented and adequately supported
- Conduct the school's business in accordance with the highest public service standards
- Have responsibility for all tasks delegated by the governing body.

The headteacher has overall executive responsibility for the school's activities, of which financial activities are clearly a part.

Role of the Chief Financial Officer

The Chief Financial Officer (CFO) of the County Council must ensure the probity and regularity of the county council's financial activities. The CFO will make statutory financial returns, oversee financial processes, provide advice where requested and ensure financial controls are adequate. To fulfil this responsibility, the CFO may prescribe which financial systems and which financial service providers may be used. The CFO, or representative, also has the right to attend meetings of the governing body to advise or report on major financial matters.

Role of audit

All schools come within the internal audit regime determined by the CFO and the external audit regime of the County Council, as determined by the Audit Commission, and must co-operate with it. Internal audit will test, review, report and make recommendations on the financial controls operating within the County Council and individual schools. This will include examining the economic, efficient and effective use of resources. External auditors will test, review and report their opinion on the accuracy of the accounts produced by the CFO.

Status of schools/County Council in contracts

The school must abide by the County Council's financial rules and standing orders in purchasing, tendering and contracting matters. This includes a requirement to assess in advance, where relevant, the health and safety competence of contractors, taking account of the County Council's policies and procedures.

This scheme is consistent with the County Council's Financial Regulations and Standing Orders, and with the Best Practice Guide to Procurement.

The headteacher/governing body of the school can receive and accept tenders. Whilst schools are urged to take account of approved lists of suppliers, there is no requirement to select suppliers from approved lists. Schools have a right to opt out of contracts arranged by the County Council, unless they have lost that right for particular contracts (whenever started), in accordance with specified written procedure.

If the governing body enters into a contract, it does so on behalf of the County Council. No governor or other member of the school will incur personal financial liability for any contract that they enter into in good faith while exercising their delegated powers, provided they are acting in accordance with this scheme and the County Council's Best Practice Guide to Procurement and Financial Regulations in respect of purchasing, tendering and contracting matters.

Financial Delegation

All members of staff who are wanting to order any educational supplies must firstly complete a school order form and have it authorised by either the headteacher or deputy headteacher. It is their responsibility to have this authorised and then pass it onto the business manager or a purchasing card holder to complete the order.

The following key members of the school have a delegated authority of limit that can be spent in any one transaction:

Business Manager

The administration manager can order day to day stock and education supplies without primarily seeking authorisation from the headteacher.

Headteacher

All orders up to the value of £4,999.99.

Governing body

Any order over the value of £5,000 but less than £60,000 must have been discussed and authorised by the full governing body.

Any doubt over delegated authority limits must be discussed prior to ordering of goods with Education Financial Services for clarity.