



Hodge Hill Girls' School

Delegation Statement for the Headteacher

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Hodge Hill Girls' School

FINANCIAL DELEGATION STATEMENT FOR THE HEAD TEACHER

The Governing Board formally delegated the day to day financial management of the budget to the Head Teacher of Hodge Hill Girls' School on 30 April 2018

1.0 BUDGET

- 1.1 The Head Teacher will prepare (by reference to the School Improvement Plan) and submit an annual Budget Plan to the Governing Board for approval during the second half of the Spring Term. If final budget settlements by the Local Authority are awaited, a draft budget will be prepared for approval, to be adjusted in the new financial year.
- 1.2 The Head Teacher will prepare the end of year accounts and reconcile them to the accounts from the Local Authority
- 1.3 The Head Teacher will prepare Budget Monitoring Reports for the Finance Committee to be submitted to the full Governing Board for approval termly. The Budget Monitoring Reports submitted to the Finance Committee must include the following system reports
 - A Cost Centre Group Report or Account Summary Report or equivalent
 - A Virement Report,
 - A copy of the latest Suspense File
 - A system report showing cumulative expenditure of £10,000 or more with an individual supplier during the financial year
 - A Bank Reconciliation and Cash Flow Statement (Full Cheque Book schools only)
- 1.4 The Head Teacher will prepare an annual 3 Year Strategic Financial Plan in line with the Schools Improvement Plan and reflecting the financial and resource consequences for each year including options, where appropriate, for consideration by the Finance Committee

- 1.5 **The Head Teacher may undertake virements and budget revisions up to a value of £20,000** which should be retrospectively reported to the Finance Committee
- 1.6 The Head Teacher will recommend virements and associated budget revisions between **£20,001 and £40,000 to the Finance Committee for approval**. Should there be emergency requests relating to staff costs the Head Teacher may obtain the approval of the Chair of Finance until a Finance Committee meeting can be arranged.
- 1.7 The Head Teacher will recommend virements and budget revisions **above a value of £40,000 to the full Governing Board for approval**.
- 1.8 The Head Teacher may adjust cost centre budgets in response to the receipt of additional funding during the year. These adjustments will be reported back to the Finance Committee

2.0 **EXPENDITURE**

- 2.1 **The Head Teacher can authorise orders to a value of £10,000** subject to there being appropriate funding available within the budget, without reference to the Finance Committee and subject to obtaining quotations for expenditure over £10,000 in accordance with the Local Authority Financial Regulations and Standing Orders as outlined in the Schools Financial Procedures Manual
- 2.2 The Head Teacher can authorise orders between **£10,000 and £25,000 with the prior approval of the Finance Committee** if within budget provision and subject to the receipt of three quotations and in accordance with the Local Authority Financial Regulations and Standing Orders as outlined in the Schools Financial Procedures Manual
- 2.3 The Head Teacher can authorise orders above **£25,000 if within budget provision with the prior approval of the Governing Board** and subject to the receipt of three quotations and in accordance with the Local Authority Financial Regulations and Standing Orders as outlined in the Schools Financial Procedures Manual
- 2.4 The Head Teacher may incur cumulative expenditure with suppliers, outside of City Council Departments, up to **£10,000**, subject to there being appropriate funding available within the budget, without prior reference to the Finance Committee. This is subject to obtaining quotations for cumulative expenditure of £10,000 or more in accordance with the Local Authority Financial Regulations and Standing Orders. If the cheapest supplier is not selected a written justification should be presented to the Finance Committee requesting an exemption from Standing Orders which if given should be documented within the minutes of the meeting.

- 2.5 The Head Teacher should provide a system report at each Finance Committee meeting to show cumulative expenditure with suppliers in excess of £10,000.
- 2.6 The Head Teacher will ensure that where **expenditure is likely to exceed £181,302 the tendering procedure will be implemented** in accordance with the Local Authority Financial Regulations and Standing Orders

3.0 **ASSETS**

- 3.1 The Head Teacher will maintain an inventory record in accordance with the current Financial Regulations
- 3.2 The Head Teacher has authority to write off and dispose of assets. All such events must be reported to the Finance Committee at the next meeting

4.0 **OTHER**

- 4.1 The Head Teacher will manage and maintain adequate records for unofficial funds and will arrange for annual audited accounts to be submitted to the Finance Committee for their approval
- 4.2 The Head Teacher will maintain and develop adequate financial systems and records to protect the school assets and in accordance with the Local Authority Financial Regulations and Standing Orders as outlined in the Schools Financial Procedures Manual. The Head Teacher will make recommendations to the Finance Committee for the improvement of financial systems and records where appropriate.
- 4.3 The Head Teacher will report and make recommendations to the Finance Committee on any proposed changes which the Local Authority may request to be made to the Financial Regulations and Standing Orders.
- 4.4 The Head Teacher will ensure that the school fulfils the requirements of the Schools Financial Value Standard, on an annual basis, and provides the Finance Committee and the Governing Board with regular updates on progress

NB THIS DELEGATION STATEMENT WILL BE REVIEWED AND UPDATED BY THE FINANCE COMMITTEE ON AN ANNUAL BASIS.



Hodge Hill Girls' School

Terms of Reference for a Finance Committee

1. Membership

The Committee shall consist of a minimum of **4 governors plus the Head Teacher** in his/her voting capacity. The Committee can ask the Governing Board to appoint up to 2 non-voting members with appropriate financial skills.

2. Quorum

The quorum shall be **3 governors** who are voting members of the committee, excluding the Head Teacher

3. Meetings

3.1 The committee will meet at least 3 times per year.

3.2 Any additional meetings will be called as necessary; at least 7 days notice must be given when calling a committee meeting.

4. Minutes

4.1 The Clerk to the Committee is **Dave Wallis**. In the absence of the Clerk the Committee can appoint a member (but not the Head Teacher) to act as Clerk to the meeting. Draft minutes of the previous meeting will be distributed at least 7 days prior to the next meeting together with any supporting papers

5. Chairing

5.1 The Committee shall elect a Chair/Vice Chair annually, usually at the first meeting of the academic year

5.2 The Chair, in conjunction with the Head Teacher, will be responsible for drawing up the agenda and sending it out to committee members at least 7 days in advance.

5.3 In the absence of the appointed Chair the Committee can appoint another member of the Committee to act as Chair for the meeting

6. Reporting to the Governing Board

- 6.1 **The Chair of the Finance Committee will report to the full Governing Board on the main decisions taken and any recommendations that the Governing Board needs to vote on.**

7. Areas of responsibility

- 7.1 The Committee will be responsible for the preparation of the Annual Budget. It will establish formal procedures and timetables for planning the budget and will require the Head Teacher to produce estimates of expenditure and income sufficiently in advance of each financial year, even if the details of the school's funding have not been finalised, so it can determine priorities in accordance with the School Improvement Plan.

It is the responsibility of the Finance Committee, in preparing the Draft Annual Budget, to work within the indicative budget, for the forthcoming year and for it to indicate clearly any use that it is proposing to make of contingency reserves and any surplus balances carried forward from previous financial years so that where appropriate, the Governing Board is fully informed of the final decision.

- 7.2 The Committee will receive Budget Monitoring Reports, from SIMS/CMIS or other accounting package, from the Head Teacher or School Business Manager/Bursar, for consideration, prior to them being reported to the Governing Board. The Budget Monitoring Reports will include the following system reports

- A Cost Centre Group Report or Account Summary Report or equivalent
- A Virement Report,
- A copy of the latest Suspense File
- A system report showing cumulative expenditure of £10,000 or more with an individual supplier during the financial year
- A Bank Reconciliation and Cash Flow Statement (Full Cheque Book schools only)

The Finance Committee will monitor income and expenditure throughout the financial year and provide an overview of the financial position of the school to Governing Board on at least a termly basis.

- 7.3 The Finance Committee will **review** virements and budget revisions made by the Head Teacher to a **maximum value of £20,000**
- 7.4 The Finance Committee will **approve** requests for virements and budget revisions **between £20,001 and £40,000 per item**. In the event of there being an emergency request the Chair of Finance will have the authority to approve such requests and then report back at the next Finance Committee meeting under 'Chair's Actions'

- 7.5 The Finance Committee will give the Head Teacher responsibility for administration of the budget and its day-to-day control and monitoring.
- 7.6 The Finance Committee, with the Head Teacher, will assess at least once a year, financial progress towards achieving the objectives in the School Improvement Plan and, consistent with this aim, will review projected expenditure for future years in accordance with the School Improvement Plan, working wherever possible on a three year rolling programme.
- 7.7. The Finance Committee, **on an annual basis, will adopt and agree to adhere to the Local Authority Financial Regulations and Procedures.**
- 7.8 The Finance Committee, on an annual basis, will **prepare and submit for discussion to the Governing Board, a Statement of Internal Control** identifying any key areas of weakness within the financial control systems of the school and propose actions that need to be taken to address issues around financial control and probity.

8 Expenditure

- 8.1 The Finance Committee will review orders placed to a value between **£5,000 and £9,999 per order**
- 8.2 The Finance Committee will **approve orders between £10,000 and £25,000** if within budget provision and subject to the receipt of three quotations, in accordance with the Local Authority Financial Regulations and Standing Orders
- 8.3. The Finance Committee will ensure that where expenditure is likely to **exceed £181,302, the tendering procedure will be implemented** in accordance with the Local Authority Financial Regulations and Standing Orders
- 8.4 The Finance Committee will **review all cumulative expenditure** with suppliers **in excess of £10,000.**
- 8.5 The Finance Committee, on advice from the Head Teacher, will review the financial implications on the budget of the Teachers Pay and Conditions document.
- 8.6 Receive the annual accounts and certificate of audit of the school fund and other voluntary funds held within the school.

9. Payments

- 9.1 The Finance Committee will monitor compliance with the schools financial procedures, particularly with reference to segregation of duties between purchases and payment
- 9.2 Assess the school's insurance cover to ensure that it provides adequate protection against risks.
- 9.3 Review and approve the amount of petty cash to be held by the school.
- 9.4 Review annually all current school contracts.
- 9.5 The Committee must ensure that the Local Authority Financial Regulations and Standing Orders relevant to financial management are complied with and will undertake periodic audits of the school's financial procedures and recommend appropriate corrective action.

10. Assets

- 10.1 The retrospective approval of the Committee is required for the writing off or disposal of any surplus stock.

11.0 General

- 11.1 Ensure the withdrawal of an individual if she/he has a pecuniary or personal interest in the business of the Committee.
- 11.2 Agree to undertake training to keep up to date with national and local trends and policies.
- 11.3 The Committee is responsible for ensuring that the school undertakes a self-assessment against the DfE Schools Financial Value Standard on an annual basis with particular reference to the governance arrangements and financial management roles and responsibilities.

NB: These Terms of Reference will be reviewed and updated on an annual basis for approval by the Governing Board.