



FINANCIAL MANAGEMENT POLICY (ACADEMIES)

Date Agreed (The Trust)	24 September 2021
Date Presented to LGB	
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AIMS AND OBJECTIVES

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1 SECTION 1

To ensure that the academy's delegated budget is directed to achieving the targets laid out in the Academy's Development Plan (DP).

- 1.1 Prior to the start of each Financial Year the Headteacher (this means the Headteacher or Executive Head in this document) will produce a draft Development Plan (DP) for discussion by the Local Governing Body (LGB).

This plan is based on the current and future needs of the academy under the following headings:

- a) Raising attainment and accelerating progress
 - b) Improving the quality of teaching and learning
 - c) Improving the conditions for learning
 - d) developing the academy as a professional learning community
- 1.2 The LGB will scrutinise the DP to ensure that it covers the needs of the academy. This will then be amended and formally signed by the Chair of Governors, and copies kept by both the Chair of Governors and the Headteacher.
- 1.3 Prior to the start of each Financial Year the Business Manager in conjunction with the Headteacher, Head of School and Senior Management Team will produce a draft 5 year budget using HCSS, which will be presented to the Resources Committee of the LGB. If there is no Resources Committee in situ then the draft 5 year budget should be presented to the LGB. Year 1 of the plan is the academy's budget and should be presented to the Trust by the end of May prior to the start of the financial year for approval.

This plan is based on:

- a) The targets set in the Development Plan
 - b) An analysis of the previous year's income and expenditure
 - c) Long-term needs (e.g. replacement of old IT equipment)
 - d) New initiatives
 - e) Inflation
 - f) Resources available
- 1.4 Terms of Reference for the Resources Committee (if appointed by the LGB) can be found in the Enhance document – Terms of Reference for Committees.
- 1.5 LGB meetings and Committee meetings are to be minuted by a clerk. If a clerk is not present the meeting should be minuted by the Chair. The minutes of each meeting are to be distributed to Governors in time for the next LGB meeting.

2. SECTION 2

To specify the procedures carried out by groups and individual members of staff which will meet the above aims.

Each academy must use the ACCESS budgeting and financial software procured by the Trust and no changes to how this software can be used can be made without prior agreement of the Trust.

See Appendix 1 (Schedule of Staff Involved in Financial Management).

3. SECTION 3

To specify the systems and controls within the procedures that will give full accountability for the managing of financial resources.

- 3.1 The Development Plan (DP) is approved by the LGB (see Section 1).
- 3.2 The academy's Financial Plan is agreed and ratified by the LGB (see Section 1) and then the Year 1 budget is submitted to the Trust for approval with Years 2 to 5 being used to review the academy's overall financial position.
- 3.3 Once the budget has been approved the Headteacher/Head of School has the delegated authority to make virements within the agreed 5 year budget – this includes an agreed contingency of up to £10,000 (the contingency should only form part of the budgets if they are showing a surplus for that year, and over the 5 year period) from which the Headteacher*/Head of School can vire. However, no use of any other balances (from the previous year or in year) are to be made without the approval of the LGB and the Trust.
- 3.4 Orders must be signed by 1 of the academy's authorised signatories, which are: the Headteacher/Head of School, or Deputy Head (if applicable), or in the case of an emergency order the Business Manager. The academy has in place a procedure for ordering resources which all staff must follow.
- 3.5 Invoices must be authorised for payment by 2 of the authorised signatories who are: Headteacher/Head of School, Deputy Headteacher, Assistant Headteacher and the Business Manager.
- 3.6 BACS payments must be authorised for payment by 2 of the authorised signatories who are: Headteacher*/Head of School, Deputy Headteacher, Assistant Headteacher and the Business Manager. If the above are not available these can be authorised by the CFO/CEO of the Trust - for instance during school holidays. The use of cheques is no longer a facility.
- 3.7 Purchases or contracts with an estimated value of:-
- Up to £1,000 can be ordered without the requirement to seek quotations; and
 - Between £1,000 and £5,000 can be ordered after seeking three verbal quotes.

- 3.8 Purchases or contracts with an estimated value of between £5,000 and £25,000 must be awarded by inviting 3 quotations in writing. In circumstances where obtaining 3 quotations is impractical the reasons for not following these procedures should be reported to the Resources Committee and recorded in the minutes of the meeting. If there is no Resources Committee in situ this should instead be reported to the Local Governing Body and recorded in the minutes of the meeting.
- 3.9 All intended purchases with an estimated value of £25,000 or more must be awarded by one of the following methods:
- a) Open competitive tendering by an advertisement in at least one local newspaper and an appropriate trade journal;
 - b) Selective tendering from at least three recognised sources known to be suppliers of the goods and/or services in question.
- 3.10 The authorised signatories have delegated responsibility to authorise BACS payments to the value of £25,000 excluding salaries and wages payments to one supplier. Any payments to a single supplier over £25,000 should be authorised by the CEO/CFO. Documentation should be sent to approve this payment.
- For amounts over £1,500 the signatory should check that the correct procurement regulations have been followed and BACS payment above £25,000 an invoice issued from a sole supplier should be checked back to the documentation agreeing to this level of expenditure including the approval of contract related to the payment.
- 3.11 If a purchase of any amount is likely to require detailed specifications or is of a complicated nature then advice must be sought from the Trust on the most appropriate route for procurement.
- 3.12 A quotation or tender that is not the cheapest of the three obtained may be accepted but only if it is felt that the quotation achieves best value and is discussed and approved by the Resources Committee and recorded in the minutes of the meeting. If there is no Resources Committee in situ this should instead be discussed and approved by the Local Governing Body and recorded in the minutes of the meeting.
- 3.13 The Headteacher*/Head of School and Business Manager must produce a report showing actual expenditure compared to budget to the Resources Committee on a termly basis. If there is no Resources Committee in situ then a report should be made to the Local Governing Body. This report should be sent to the CFO for Trust reporting.
- 3.14 The Resources Committee (if one is in situ) reports to the LGB on at least a termly basis.
- 3.15 All delegated budgets are monitored by the Business Manager.
- 3.16 All stock coming into the academy is checked by a person(s) nominated by the Business Manager.

- 3.17 The Headteacher/Head of School and Resources Committee (if in situ) are required to authorise the disposal of assets. If there is no Resources Committee in situ this task will be undertaken by the Local Governing Body. The Trust must then be informed of this immediately.
- 3.18 All services and supplies are monitored by the Business Manager, Caretaker or Headteacher/Head of School (as appropriate), as well as termly reports to the Finance Committee.
- 3.19 The academy is subject to budget approval procedures, budget monitoring and audit arrangements as determined by Enhance Academy Trust.
- 3.20 The LGB requires a declaration of any pecuniary interests at the commencement of each meeting. Registration of such interests should be made if they are declared. These should be reviewed on an annual basis.
- 3.21 The annual inventory of assets will take place at the end of every summer term and the inventory will be kept electronically. The use of digital photographs is encouraged to record smaller value items but all items valued over £500.00 must be recorded on the Asset Register. This includes bespoke furniture (i.e. office cupboards).
- 3.22 To protect the system from any abuse (deliberate or accidental) the full list of academy equipment will be printed out at the end of the inventory process and all items that have been disposed of, for whatever reason, will be initialled by the Headteacher/Head of School, and the full report will be signed by the Headteacher/Head of School and kept in the academy office.
- 3.23 The academy will undertake all financial procedures in line with the 'Academies Financial Handbook' and any directions given by Enhance Academy Trust.

4. SECTION 4

To specify the procedures to be carried out in the case of fraudulent activity

4.1 Everyone who works for Enhance Academy Trust must be vigilant and be aware to the risks of fraud. Below are some of the ways fraudsters try and access the academy's resources. If at any time anyone suspects that a fraud is being attempted or feel one has been committed they must inform their Business Manager immediately who in turn must inform the CEO/CFO of the Trust

4.2 **What to look out for**

Fraudsters may try to get money from you by sending fake emails and texts. They do this by sending an email or text to you in an attempt to get access to your academy's internet banking details. They may use the following:

- **Links to fake websites** - A fraudster may send an email or text claiming to be from a real business. In this message there may be a link that takes you to their fake website. On this site you may be asked to give your internet banking details. For example, the page might claim to be a bank website.
- **Dangerous downloads** – A fraudster may send an email or text with a link that downloads a tool onto your computer or network when you click on it. This tool can then spy on your computer or even lock you out of it until you give the fraudster your internet banking details.

4.3 Another way fraudsters may try to get you to give them money is by pretending to be someone you may know or has a relationship with your academy, or the Trust. For example, a fraudster may use the following:

- **Fake invoices** - A fraudster may send you a fake invoice claiming to be from a real business you work with.
- **Fake supplier payment details** - A fraudster may claim to be from a real business and they want to let you know that they are changing their payment details. If anyone asks you to change a supplier's payment details, always call the supplier back separately on the original number you have saved for them to check (not on a new number).

4.4 **Suspicious Calls: What to look out for**

Fraudsters might contact you or other academy staff by telephone pretending to be a well-known organisation such as your bank or HMRC, a supplier or even another person in the Trust. For example, they may:

- **Tell you your money's at risk** - A fraudster may tell you that due to a security threat or risk to your account you must move your money to a "safe", "secure" or "holding account". In reality,

this “safe” account is controlled by the fraudster. Never move money if a caller says to do this for “security purposes” to a safe/secure/holding account”.

- **Claim to be a supplier** – A fraudster may claim to be one of your suppliers and asks you to change their payment details to a new account, which in reality is controlled by the fraudster. Do not assume a caller is from the business they claim they are from, even if your caller ID says that they are.
- **Request control of your device** – A fraudster may claim that there is something wrong with your computer and asks you to download a tool which then gives them access to your account. Never download anything an unexpected caller asks you to or allow anyone remote access (control of your machine) unless you have asked for the call or made the call yourself.
- **Ask for your card reader codes** – fraudsters may try and convince you to give them your card and reader codes. . Never give this code to an unexpected caller, no matter what they tell you.

4.5 If in any doubt seek clarification from the Bank or the Trust’s CEO or CFO. If you have been contacted by telephone and have a suspicion of fraud you should use a different telephone and telephone number (if you have one) to contact the bank with, as the fraudster may have left the line open and intercept it. Always leave 5 minutes from the call relating to a potential fraud to use the same telephone if you do not have access to another.

Always telephone the bank first then report to the CEO and CFO immediately if fraudulent activity has taken place. Do not be afraid to report if you have opened a link or been a victim to fraud – the faster we act the more chance we have of recovering the money.

All other SBM’s should also be informed as this could be a supplier that has been hacked and therefore affect other academies in the Trust.

4.6 The bank will never ask you to follow a link in an email or SMS text message – just because the email or number says it is from the bank does not mean that it is – this may have been changed through spoof.

4.7 The bank will never ask you for your pin or a carbon reader code or ask that you send money to a safe account.

4.8 Check your online banking if you are in any doubt about a transaction that has or it is claimed has been made.

4.9 Check with your Head/CEO/CFO if you have an email from them asking for an urgent payment to be paid that you are unaware of. You should do this by telephone if the email were from either of these people as their email addresses could have been hacked.



- 4.10 Try to establish a single contact at a company and query any invoices that you are not familiar with that person.
- 4.11 If you receive a notice of a change in bank details you must check directly with your contact in the company by telephone before updating HCSS – you should always try and process payments via imported payment bacs run.
- 4.12 If you are paying a new supplier as a one-off payment check their bank details direct before paying as it may have been intercepted and the bank details changed on the invoice.
- 4.13 If you receive any reminders for payments cross check the details to the original invoice before any payment is made.
- 4.14 If you have a social media account make sure privacy settings are on high as hackers can use your social media account to build a profile on you.

5. SECTION 5

To provide appropriate information as and when required.

- 5.1 All reports to the LGB and its Committees (where in situ) are public documents and are available upon request unless there is an allowable reason for them to have been classified as confidential. There are not many allowable reasons.
- 5.2 The ACCESS package is open to scrutiny by the LGB providing reasonable advance notice is given. The Trust has access to all of the ACCESS package for every academy.
- 5.3 All minutes of the LGB and its Committees are public documents and are available on request (subject to the removal of confidential items).
- 5.4 The ACCESS package kept by the Business Manager is open to scrutiny by the Headteacher/Head of School at any time and it is expected that they will be a named user of the system.
- 5.5 The Business Manager can extract information from the computer system for separate budgets reports on request. Teaching staff requiring confirmation of the balance for their budgets must give due notice before requesting such information.
- 5.6 The academy has in place a “Whistleblowing policy”. All members of staff are issued with a copy of this policy. A copy of the policy must be made easily accessible to all staff and published on the academy website.

6. SECTION 6

To detail the processes of monitoring and evaluating the systems.

- 6.1 The academy finances are computerised on Trust systems with the system being managed at the academy level by the Business Manager.
- 6.2 The Business Manager is required to submit financial information on expenditure and income to Enhance Academy Trust as and when requested.
- 6.3 The Headteacher/Head of School and Business Manager should meet at least termly to discuss the actual income/expenditure compared to the academy budget. A copy of this and any discussions should be sent to the CFO.
- 6.4 The Resources Committee (if in situ) makes recommendations to the LGB annually on the setting of the budget, and the LGB discusses the recommendations in the context of the Academy's Development Plan before deciding whether or not to accept the recommendations.

If there is no Resources Committee in situ, this duty is performed by the LGB.

- 6.5 Internal Auditor (IA) reports and action plans if appropriate are submitted to the Resources Committee (if in situ) on a termly basis. The Resources Committee (if in situ) will monitor any identified actions contained within the IA report.

If there is no Resources Committee in situ, this duty is performed by the LGB.

7. SECTION 7

To detail the academy's arrangements for charging.

7.1 Pupils:

The Rationale:

The Trust and its academies believe that all education should be free at the point of access, and tries very hard, within its limited resources, to support this philosophy. There are certain activities such as 'before' and 'after' school clubs that require charges to be made but the academy will try to ensure that these charges do not prohibit pupils from attending the activity. There may also be a need to charge for some products as these cease to be academy resources if they go home with the pupils - these products would include those used in cookery clubs for example.

7.2 Trips and Visits:

All trips and visits are part of the academy curriculum unless parents are specifically informed otherwise. As such all pupils should go on the trips as they are an integral part of the class work of the time. Trips and visits are usually financed through the academy account. Voluntary donations are often requested from parents to defray some of the costs. No pupil would be excluded from a trip because if their parent was unable to make a donation.

7.3 In some circumstances a teacher may wish to take a group or class on a trip which cannot be afforded by the academy and may not be part of the curriculum; in these circumstances voluntary donations will be asked for as usual, but if sufficient donations are not forthcoming the trip may have to be postponed or cancelled. In this situation all monies would be refunded to the parents who had made donations, and the teacher would either select another, less expensive venue or wait until school fund could provide the necessary support.

7.4 If residential trips are planned contributions may be required to support the costs of board and lodgings.

No pupil would be refused access to a trip or visit because of lack of funds.

8. SECTION 8

Use of the Academy buildings for lettings

- 8.1 It is the policy of the Trust and the LGB that local interest groups and general community use of the academy should be encouraged and that the lettings rates be minimal, set on an individual basis according to the nature and type of activity. These rates would be set to reflect the actual cost to the academy (heating, use of equipment, cleaning etc.) as well as covering the costs of the caretaker's (or appropriate person's) wages.
- 8.2 Commercial activities should be charged at the rates recommended by Enhance Academy Trust at the time.
- 8.3 The above should include payment to the caretaker (or appropriate person) to open and close the academy and to arrange the appropriate level of cleaning.

SCHEDULE OF STAFF INVOLVED IN FINANCIAL MANAGEMENT

Separation of Duties

To ensure that wherever possible the authorisation, execution, custody and recording of an activity are not the responsibility of one person.

1) ORGANISATION

Key for St Helen’s CE Primary School

Position	Name
Executive Head	Louise Sennett
Head of School	Eddy Baird
Assistant Head	Claire Saxton
Business Manager	Julie Pratt
Administrative Officer	Christine Griffiths
Clerical Officer	Emma Simpson
Clerical Officer	Nicola Lawson
CEO	Mark Randall
CFO	Lisa Hutton
Internal Auditor	GBAC Limited

DUTIES	POSITION
Organisational structure – roles and channels of reporting	Local Governing Body
Set limits of delegated authority	Local Governing Body
Medium term Development /Financial Plan	Resources Committee (if in situ) – otherwise Local Governing Body Executive Headteacher Head of School Business Manager CEO CFO
Maintain sound internal controls	Business Manager Administrative Officer

Maintain documentation - roles - systems	Business Manager Administrative Officer
Security of systems	Business Manager Administrative Officer
Maintain asset register	Business Manager
Actual check of assets to register	Business Manager
Notification of claims/changes to insurance policy	Business Manager
Review of insurance policy	CEO

2) BUDGET

DUTIES	POSITION
Banking arrangements	CEO CFO
Certification of BACS payments	Any 2 of Executive Headteacher Head of School Assistant Headteacher CEO CFO Business Manager up to £500
BACS payments authority	As Certification of BACS payments
Maintain petty cash account	Business Manager Administrative Officer
Custody	
BACS payments	Business Manager
Independent check on bank reconciliation	Internal auditor CFO
Verify petty cash in hand	Business Manager Administrative Officer

3) PURCHASING

DUTIES	POSITION
Authorisation	
Purchasing policy	Resources Committee (if in situ) – otherwise Local Governing Body Executive Headteacher Head of School Business Manager CFO
Authorisation of order	Executive Headteacher Head of School
Authorise invoice for payment	Any 2 of Executive Headteacher Head of School Assistant Headteacher Business Manager
Obtain quotes/tenders where necessary	Executive Headteacher Head of School Business Manager Administrative Officer
Produce an order	Business Manager Administrative Officer Clerical Officer
Sign orders	Executive Headteacher Head of School Assistant Headteacher
Power to place emergency orders	Executive Headteacher Head of School Business Manager CEO CFO
Receipt and checking of invoice	Business Manager Administrative Officer Clerical Officer

Notification of damages/short deliveries	Administrative Officer Clerical Officer
Ensure credit notes arrive	Business Manager Administrative Officer
Control of stock orders	Administrative Officer Clerical Officer
Receipt of goods	Administrative Officer Clerical Officer

4) INCOME

DUTIES	POSITION
Write off bad debts	Executive Headteacher Head of School CEO CFO
Issue of academy invoice	Business Manager Administrative Officer
Banking cash	Business Manager Administrative Officer
Recording	Business Manager Administrative Officer
Receiving and receipting cash	Business Manager Administrative Officer Clerical Officer
Maintaining cash book	Business Manager
Reconcile cash book/bank statements	Business Manager

5) STAFFING/PAYROLL

DUTIES	POSITION
Appointments to posts other than Executive Headteacher/Headteacher and School Business Manager	Executive Headteacher Head of School Resources Committee
Terminations of any post	CEO Enhance Academy Trust
Appointments of Executive Headteacher/Headteacher and School Business Manager	Enhance Academy Trust and LGB
Control of supply staff	Executive Headteacher Head of School
Approval of expenses	Executive Headteacher Head of School or CEO for Executive Headteacher's expenses
Execution	
Processing time sheets/expenses	Business Manager
Custody	
Staff training	Executive Headteacher Head of School Business Manager
Staff cover arrangements	Executive Headteacher Head of School Business Manager
Reconciliation to budget	Business Manager
Recording	
Payments made to staff	Business Manager