



Woolmore
Primary School

FINANICAL PROCEDURES & SCHEME OF DELEGATION 2025-26

September 2025

Scheme for the Delegation of the Governing Body's Financial Powers and Duties to Others

Introduction

The governing bodies of schools with fully delegated powers under the local management scheme are responsible for ensuring that the London Borough of Tower Hamlets Financial Regulations and the Standing Orders relating to contracts are adhered to.

In practice many of the governing body's responsibilities 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 the delegation be clearly specified in writing.

The School Governance (Roles, procedures and allowances) (England) Regulations 2013 (<https://www.gov.uk/government/publications/school-governance-regulations-2013>) require that the meeting of the governing body deciding upon a scheme of delegation must be decided by the majority of the governors present.

It should be noted that the scheme of delegation complements the Council's Financial Procedures and should be operated in conjunction with those documents.

The Scheme of Delegation and the Terms of Reference of the Governing Body and its Committees must be reviewed annually

Guidance on financial matters is contained in Tower Hamlets' Schools Finance Manual.

Key Contacts

The following tables provide a list of key contacts within Tower Hamlets Council.

Team	Email
Schools Finance Team	Schoolsfinancehelpdesk@towerhamlets.gov.uk
Head of HR - Health Adults & Community and Children & Culture Directorates	Catriona.Hunt@towerhamlets.gov.uk
Head of Strategic Finance Children and Culture	Terry.Shaw@towerhamlets.gov.uk
Internal Audit	bharat.mehta@towerhamlets.gov.uk

Whistleblowing Hotline	07732 402614 (Head of Internal Audit)
Anti-Fraud Team	corporatefraud@towerhamlets.gov.uk
Senior Accountant (VAT & Tax)	Danny.Warren@towerhamlets.gov.uk
Payroll	Payroll.Services@towerhamlets.gov.uk
Insurance Team	Insurance@towerhamlets.gov.uk

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A. POWERS AND DUTIES RESERVED FOR THE FULL GOVERNING BODY

The full Governing Body is responsible for:

- A1. Approving a written scheme of delegation of its financial powers and duties to its Resources Committee and the Headteacher. The scheme must satisfy the Full Governing Body's ultimate responsibility for ensuring that there are adequate operational controls in place for all the financial processes within the school. It should be noted that the Scheme of Delegation complements the Council's Financial Procedures relating to contracts and should be operated in conjunction with these documents.

The Scheme of Delegation should be reviewed and approved on an annual basis. The approval and presentation should be formally minuted and the documents attached to and certified at the same time as the minutes.

Audit

- A2. The full Audit Report on the school issued by the Council's Internal Audit Services section will be presented to the full Governing Body at their meeting following receipt of the report. This should be reflected in the minutes of that meeting.
- A3. Informing the Head of Schools Finance Manager if it suspects any irregularity affecting resources of the Council and/or the schools voluntary funds.

Budgets/Budgetary Control

- A4. Receiving and considering a full report of the school's final financial position (Outturn) no later than four months after the end of each financial year. This item should be recorded in the minutes of the meeting.
- A5. Formally accepting approval (and minuting the approval of) the school's budget plan as delegated to the Finance Committee. A copy of the plan, certified by the Head and Chair of Governors, should be submitted to the Schools Finance Manager (CSF).
- A6. Receiving and considering budget monitoring reports at every meeting from the Finance Committee with relevant explanations and documentation where required. The receipt of such reports/documents shall be minuted.
- A7. All individual virements in excess of £20,000 between or within budget headings shall be approved, authorised and minuted by the Full Governing Body and reported to the Schools Finance Manager (CSF) in the quarterly return to Tower Hamlets. Details of all virements, approved and authorised by the Finance Committee are to be formally notified to the Full Governing Body who shall minute the notification except for sums earmarked by the LA.
- A8. Informing the Schools Finance Manager (CSF) when the school wishes to meet expenditure of a capital nature from the revenue budget.

- A.9 Entering into operational leasing/contract hire arrangements up to £3000 for any one arrangement, provided that the Schools Finance Manager (CSF) is satisfied that the method of finance is appropriate for the asset concerned, and that the best terms available have been secured. The Finance Committee shall ensure that the resulting charges can be met within the budget for the current and future years.

Register of Business and Pecuniary Interests

- A10. Maintaining a Register of Business and Pecuniary Interests for all governors and those school staff involved in financial management, or who are a budget holder, or who are involved in the process for awarding of contracts, including appointment of staff. This register will be readily available in the Headteachers office.

Governors and members of staff are required to inform the school of any changes in their interests as these arise so that they can be entered in the register. The register is also updated annually. Nil returns are obtained as appropriate. Any governor or member of staff who is unwilling to declare their interests or complete a nil return is not permitted to influence a buying or staffing decision.

A register of gifts and hospitality is maintained by the Headteacher. The school does not obtain goods or services for the private use of governors and members of staff.

Ex-Gratia Payments

A11. Authorising individual ex-gratia payments up to £2,500. Payments in excess of £2,500 shall be made with the approval of the Secretary of State. The full Governing Body should keep a record of all payments.

Income

- A12. Authorising the write-off of individual debts above £2500 after consultation with the Schools Finance Manager (CSF). Debts in excess of £5,000 may only be written-off with the agreement of the Schools Finance Manager (CSF). The Full Governing Body should keep a record of all write-offs.

Lettings

- A13. The school does not provide lettings.

Loans, Investments and Trust Funds

- A.14 Consider any proposals to borrow monies that require the approval of the London Borough of Tower Hamlets.

Security of Assets

- A.15 Authorise and formally minute the write off any deficiencies of individual items of stock and equipment with original purchase values in excess of £2,500. Where the original purchase value is not available, the current market value should be used. Agreement of the Schools Finance Manager (CSF) must be sought to write off in excess of £10,000.
- A16. Authorise and formally minute the disposal of individual items of equipment and materials that have become surplus to requirements, unusable or obsolete with a realisable value in excess of £2,500. Agreement of the Schools Finance Manager (CSF) must be sought to write off in excess of £10,000.

B. POWERS AND DUTIES DELEGATED TO THE RESOURCES COMMITTEE OF THE GOVERNING BODY

The Finance Committee shall be responsible for:

General

- B1. Exercising the powers and duties of the full Governing Body in respect of the financial administration of the school, except for those items specifically reserved for the full Governing Body 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 full Governing Body.

Budgets/Budgetary Control

- B3. Considering budget monitoring reports on the school's financial position at every meeting and taking appropriate action to contain expenditure within the budget and reporting this to the Full Governing Body.
- B4. Exercising virements between and within budget headings, except for sums earmarked by the LA, subject to a limit of £20,000 per individual virement. Details of all virements approved and authorised by the Headteacher are to be formally notified to the Finance Committee who shall minute the notification.
- B5. Reporting to the Full Governing Body all significant financial matters and any actual or potential overspending.
- B6. Considering and approving the budget plan and certification before being sent to the Schools Finance Manager (CSF) by 31st May and then reporting this approval to the Full Governing Body.

Contracts

- B7. Exercising the powers and duties of the Full Governing Body in respect of the Council's Finance Procedures relating to contracts, except for those items specifically reserved for the Full Governing Body and those delegated to the Headteacher, without reference to the Full Governing Body, up to a limit of £20,000 per individual contract.

Ex-Gratia Payments

- B8. Proposing individual ex-gratia payments of up to £500 and notifying the Full Governing Body who will authorise, approve and maintain a record of all such payments.

Income

- B9. Authorising the write-off of individual debts between £250 and £2,500 and to notify the Full Governing Body of any write-offs.
- B10. At least once a year, reviewing all fees and charges, and authorising any changes it considers appropriate save in respect of optional extras relating to pupils education, which must be determined by the Full Governing Body. (Education (School Government) Regulations 1989).

Insurances

- B11. Making arrangements for any insurance cover it considers necessary in liaison with the Council's Insurance Department.

Lettings

- B12. The school does not have a lettings policy.

Loans, Investments and Trust Funds

- B13. Setting aside funds that are not required for immediate use, in accordance with arrangements agreed with the Schools Finance Manager (CSF).
- B14. Ensuring that all securities etc, relating to trust funds are deposited with the Council, unless the deed states otherwise.

Security of Assets

- B15. Ensuring there are annual independent checks of stock and inventory records, in accordance with the requirements of Tower Hamlets Schools Financial

Procedures.

- B16. Authorising the write off of any deficiencies of individual stock and inventory items with original purchase values between £1000 and £2500. Where the original purchase value is not available, the current market value should be used. All such write-off's must be in accordance with the Schools Finance Manual and be formally reported and minuted at the following full Governing Body meeting.
- B17. Authorising the disposal of individual items of equipment and materials that have become surplus to requirements, unusable or obsolete with a realisable value of between £1000 and £2500. All such authorisations must be in accordance with the Schools Financial Procedures and be formally reported and minuted at the following full Governing Body meeting.
- B18. Authorising when (if at all) school property may be removed from the premises otherwise than for educational purposes.

The committee may appoint such co-opted, non voting members as agreed by the governing body member. These members will serve in an advisory capacity.

Other members of the governing body may attend The Finance, Personnel & General Purposes Committee meetings and may fully participate in discussion, but will not have voting rights.

Only full members of the committee shall have voting rights.

Quorum

The quorum shall be at least three governors, two of whom must be non staff, and one must be the Head or Deputy Head.

Chair and Clerk

The Chair and Clerk to the committee shall be elected each year, when the Governing Body reviews the membership of its committee structure. The Head may not be elected as Clerk.

Meetings

To meet at least termly.

Standing Orders

The agenda for the meeting shall be distributed at least seven days before the meeting. Where there is an equality of votes for and against a particular resolution the matter will be referred back to the next full meeting of the governing body.

A report of proceedings of meetings of The Finance, Personnel & General Purposes

Committee shall be circulated with the papers of the next full meeting of the governing body.

The membership comprises

- Headteacher
- School Business Manager
- Ms Sabrina Law - Chair
- Mr Matthew Fairclough -Governor
- Mrs Samantha Rashid – Chair of Governor

Register of Interests GOVERNORS' (AND STAFF) REGISTER OF INTERESTS

PURPOSE

The purpose of this briefing note is to provide guidance on complying with standards of accountability for those involved in spending public money through keeping a register of pecuniary and other interests.

WHY IS IT NECESSARY TO REGISTER AN INTEREST?

It is important that governors (and staff with delegated authority) who are involved in spending public money are able to demonstrate that they do not benefit personally from decisions they make. Governors should also be seen to be complying with relevant regulations and guidelines to protect themselves against accusations of personal gain or favouritism and to comply with an important aspect of the financial standards check undertaken as part of the Ofsted inspection process.

BACKGROUND

The School Government Regulations require governors to withdraw from a meeting if they have a personal interest in the matter under consideration. Governors are familiar with this when dealing with questions of recruitment, promotion, salary assessment or disciplinary procedures. This paper is not primarily concerned with this regulation, as these types of interest tend to relate to employees or prospective employees and are usually declared and minuted as they arise at meetings. However, governing bodies have become increasingly involved in spending public money through the letting of contracts or the purchase of goods and services, largely as a result of:

- the delegation of budgets for repairs, maintenance and internal decoration of the school and the opportunities to undertake premises improvements using funds from the delegated budget,
- the need to consider contracting arrangements for services such as cleaning, grounds maintenance and catering, and
- the purchase of goods (e.g. materials, equipment, etc.) and services (e.g. training, professional advice, transport, etc.).

The standards of accountability for those involved in spending public money extend to school governors under local management. Information relating to these

standards is set out in several documents, but can be summarised as:

- The governing body should establish a register of pecuniary or other interests, open to public inspection, listing governors' individual interests.
- The Head and other staff with authority to incur expenditure should declare their interests also.
- A governor who has a personal interest in any matter coming before the governing body should withdraw and not participate in the decision-making process
- Please remember that even though your interest may be included on a register, you must still declare it and withdraw if it arises at either a governing body or committee meeting.

WHAT IS AN INTEREST?

An "interest" is where an individual may stand to gain some financial or material benefit as a result of a decision which they are party to.

A "pecuniary" interest means simply that the interest relates to money. As well as pecuniary, interests are also often described as material, private or personal. For the purposes of this note reference is made to 'pecuniary or other interests'. A governor should register an interest if they, their spouse/partner, family, or relative has a link with an individual or business that may contract for work or provide goods and services for the school. This will, more often than not, relate to local businesses. To "register" an interest simply means to make a written record of these connections or links available in a formal way. To "declare" an interest means to state that interest at a meeting.

WHAT IS A REGISTER OF INTERESTS?

A register of governors' pecuniary or other interests is a written public declaration of links the governors may have with local businesses or individuals from which the school may purchase goods or services or enter into contracts with. Examples of such links are where governors or their spouse, etc. might be an owner, employee, partner, shareholder, consultant, or representative, etc., of a local business. It is unlikely that employees of larger national or regional companies or organisations would need to declare their employment as an interest as there is unlikely to be any personal gain.

Employees of the school who are governors would not be required to declare their employment as an interest but would be required to declare any other links they or their family may have with local businesses as above.

In the event that the Headteacher, a governor or key staff member may have or may appear to have, a conflict of interest in the award or management of a contract they shall declare this and must take no part in any decision making or any other process with regard to that contract.

PUTTING IT INTO PRACTICE

To make this practice as straightforward as possible, each Clerk has been supplied

with a format for keeping such a register. It is advisable that the Clerk takes responsibility for ensuring new governors are included and that it is reviewed annually. The Head should ensure that it is available for inspection if somebody wishes to look at it and for Ofsted. Each governor should then consider whether they have an interest and complete the form accordingly. For staff the form should be approved by the Headteacher and retained in the school office. For governors (including the Chair) it is good practice to have a standing item at governing body meetings to allow governors to update the form and for it to be approved and minuted. Reference should be made in the annual report to parents that the register is open to inspection.

It is not practical to be exhaustive in this paper about what should and should not be included. If you find it difficult to decide whether you have an interest which ought to be declared the best approach is to remember that the spirit of the regulation is that everything should be above board and open, and if in doubt it is better to register the interest. There are some examples on the form, but if you wish to discuss this further you can contact Governors Services.

REFERENCES

Keeping Your Balance (Standards for Financial Administration in Schools): Audit Commission/Ofsted; The Council's Financial Regulations as applied by the Scheme for the Local Management of Schools; School Government Regulations 1999.

Record with the meeting papers and noted in the minutes

C. FINANCIAL POWERS AND DUTIES DELEGATED TO THE HEADTEACHER

Delegation of Headteacher's Responsibilities

The Education (School Government) Regulations 1989 permit 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 those staff.

The Deputy Headteacher is authorised to act under this scheme in the absence of the Headteacher.

The Headteacher shall report all decisions taken under delegated powers to the next meeting of either the Full Governing Body and/or the Finance Committee as determined by this scheme of delegation.

The Headteacher shall be responsible for: -

Accounts

- C1. The operation of financial processes within the school, ensuring that adequate operational controls are in place and that the principles of internal control are maintained.
- C2. Ensuring that full, accurate and up to date records are maintained to provide financial and statistical information and that the figures have been reconciled with the school bank account and the LA central records.
- C3. The financial accounting system is Arbor Finance and the Headteacher should consult the Schools Finance Manager (CSF) on the development of any other local financial system and the links with Tower Hamlets central systems.

Audit

- C4. Ensuring that all records and documents are available for audit by the Council's Internal and External Auditors and arrange for the required cooperation with and accommodation of the auditors.

Banking Arrangements

- C5. Maintaining proper records of account in accordance with arrangements approved by the Head of Children's Services Finance.
- C6. Providing reconciled bank statements to the Schools Finance Manager (CSF) at

least quarterly or more frequently if required.

Budgets/Budgetary Control

- C7. Regular monitoring of expenditure and income against the approved budget and submitting budget monitoring reports on the school's financial position to every meeting of the Finance Committee. Any actual or potential overspend shall be reported to the Finance Committee.
- C8. Ensuring that all required monthly and quarterly monitoring reports and closing of accounts information are sent to the Schools Finance Manager (CSF) within the required timescale.
- C9. Preparing an annual draft budget plan for consideration by the Finance Committee before the start of the relevant financial year.
- C10. Submitting updated budget plans at the beginning of each term if requested by the Schools Finance Manager (CSF).
- C11. The Headteacher may vire between budget headings up to a value of £5,000 per individual virement, although this must be formally reported and minuted at the following Finance Committee meeting.

Contracts

- C12. Exercising the following powers and duties of the Full Governing Body in respect of the Council's Financial Procedures relating to Contracts.
 - a) Ensuring that all contracts and agreements conform with the Financial Procedures
 - b) Acceptance of quotations up to £5,000 on any one item for day-to-day goods and services.
 - c) Receipt and custody of all tenders.
 - d) Authorisation of senior members of staff to open tenders.
 - e) Signing contracts on behalf of the Full Governing Body.
- C14. Maintaining a register of formal contracts entered into, amounts paid and certificates of completion.
- C15. Retention of quotes obtained for goods, works and services.
- C16. Signing certificates where contracts require that interim and final payments are made on such certificates.
- C17. Ensuring that the requirements of the Construction Industry Scheme are adhered to where applicable.

Income

- C18. Ensuring the arrangements for collection of income is in accordance with the Council's Financial Regulations.
- C19. Ensuring that all income is accurately accounted for and is promptly collected and banked intact.
- C20. Ensuring that all receipt forms, books, tickets and other such items shall be ordered and issued in a form approved by the Council's Internal Auditors.
- C21. Writing-off individual debts up to £250, following all reasonable steps to mitigate the loss, and informing the full Governing Body who will record any write off.

School Computer Systems

- C22. Ensuring that the Schools Finance Manager (CSF) is consulted on the introduction or changes to the school's computerised accounting system.
- C23. Ensuring that the standards of control for all ICT systems in operation within the school include the use of properly licensed software and for the security and privacy of data in accordance with the Data Protection Act 2018.

Insurances

- C24. Notifying the Council's Insurance Officer of any eventuality that could affect the Council's insurance arrangements.

School Journeys and Visits

- C25. Ensuring the school's educational visits policy is applied and funding, where it is permissible to charge, is clearly identified in the accounts.

Orders for goods, works and services

- C26. Ensuring that arrangements for the ordering of goods, works and services are in accordance with the Council's Financial Procedures.
- C27. Authorising members of staff to order or receive goods and certify invoices for payment, ensuring the appropriate division of these duties between the staff. A record must be maintained of such authorisations.

Payments

- C28. Ensuring the arrangements for processing payments is in accordance with the

Council's Financial Regulations.

- C29. Ensuring that all correct invoices are duly certified by authorised staff before payments are made.
- C30. Ensuring that invoices, vouchers and other records are retained and stored in a secure way and are readily available for inspection by authorised persons.

Salaries, Wages and Pensions

- C31. The appointment of teachers and support staff.
- C32. The securing of supply teaching and other staff cover in the event of staff absence or vacancy.
- C33. The employment of casual staff.
- C34. Ensuring the arrangements for processing salaries, wages and pensions are in accordance with the Council's Financial Regulations.
- C35. Authorising members of staff to certify timesheets, for processing by the Payroll Provider
- C36. No monies will be advanced to a member of staff who is to leave the school employment.

Security of Assets

- C37. Ensuring the arrangements for security of assets is in accordance with Tower Hamlets' Schools Financial Procedures.
- C38. 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.
- C39. Maintaining an inventory, in accordance with the instructions in the Schools Financial Procedures, of all items of furniture, equipment, vehicles and plant. The inventory record, whether manual or computerised, shall be a permanent and continuous record.
- C40. Where appropriate, arranging for the security marking or such items.
- C41. Arranging for annual independent checks and certification of stock and inventory records, in accordance with the instructions in the Schools Financial Procedures.
- C42. Authorising the 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 Schools Financial Procedures and be formally reported and minuted at the following Resources Committee meeting.

- C43. Authorising, in accordance with the instructions in the Schools Financial Procedures, 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 in accordance with the Schools Financial Procedures and be formally reported and minuted at the following Finance Committee meeting.
- C44. Ensuring that keys to safes and other similar receptacles are held under the close personal security of responsible staff at all times.
- C45. Maintaining a register of gifts and hospitality received.
- C46. Ensuring that the School's Disaster Recovery Plan provides details of how the school's financial data is protected and can be accessed in the event of a systems failure and/or destruction of the school's IT servers.

D. FINANCIAL POWERS AND DUTIES DELEGATED TO THE SCHOOL BUSINESS MANAGER AND OTHER MEMBERS OF STAFF

Members of staff with delegated responsibilities should be aware that these must be exercised in accordance with Tower Hamlets' Financial Procedures.

The following responsibilities are delegated to the School Business Manager unless otherwise stated.

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 this Scheme of Delegation and Financial Regulations.
- 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 bank account and the Council's central records.

Audit

- D3. Ensuring that all records and documents are available for audit by the Internal and External Auditors and arrange for the required accommodation of the auditors.

Banking Arrangements

- D4. Maintaining proper records of accounts in accordance with arrangements approved by the Schools Finance Manager (CSF).
- D5. Providing reconciled bank statements to the Schools Finance Manager (CSF), promptly.

Budget/Budgetary Control

- D6. Notifying the Schools Finance Manager (CSF) of variations in the school's budget plan, approved by the Finance Committee at the beginning of each term.
- D7. Submitting all required reports and VAT reimbursement claims to the Schools Finance Manager (CSF) promptly.

Contracts

- D9. Ensuring that all contracts and agreements conform with the Council's Financial Procedures relating to contracts.

D10. The following members of staff, in addition to the Headteacher, are authorised to open tenders in the presence of another authorised person: -

- Deputy Headteacher
- School Business Manager

Income

D11. Maintaining a record of all income held in the school and ensure that all income is accurately accounted for, promptly collected and banked intact.

D12. Ensuring that no cheques are cashed out of money held on behalf of the School/Council and that a suitable receipt is given when cash is handed over from one person to another.

D13. Ensuring that all receipt forms, books, tickets and other such items shall be ordered and issued in a form approved by the Council's Internal Auditors.

Information and communication systems

D14. The designated IT support provider shall be responsible for the control of systems and for the security and privacy of data.

Lettings

D15. The school does not provide lettings.

Orders for goods, works and services

Order forms for curriculum resources are to be completed and signed by the budget holder before being passed to admin staff to double check budget balance, source best priced supplier and place order.

All orders for goods, works and services to be entered on the school's finance system by the School Business Manager, delegated admin staff or LBTH Finance Officer and signed by Headteacher or Deputy Headteacher in their absence.

D16. The following members of staff, in addition to the Headteacher, are authorised to issue (sign) order requests for goods, works and services as specified: -

Staff	Types of Order
Deputy Headteacher	All
Assistant Headteachers	All
School Business Manager	All

Subject to there being sufficient funds within the budget.

All signed order requests must be processed via the School Business Manager (or a member of the admin team delegated to do so by the school business manager)

who shall promptly enter them into the school's computerised accounting system and raise an official order to be attached to the order request and signed by the Headteacher (or in his absence the Deputy Headteacher). The School Business Manager is responsible for the safe custody and proper use of official orders.

Payments

D17. The following members of staff, in addition to the Headteacher, are authorised to receive goods: -

- Deputy Headteacher
- Assistant Headteacher
- School Business Manager
- Clerical staff – Office Manager and Clerical assistant Premises Manager

D18. The following members of staff in addition to the Headteacher are authorised to certify payments:

- School Business Manager
- Deputy Headteacher
- Assistant Headteachers

D19. Invoices should be passed to the School Business Manager who will attach the relevant signed delivery notes and order when completed and certify the invoice for payment and recording in the accounts. Where no delivery note has been received for goods, the resources manager/admin staff will mark order requests as proof of receipt of goods.

D20. The School Business Manager and/or office administrative staff should:

- check that the goods/services received match the purchase order and the invoice
- check that the prices on the invoice match those on the purchase order
- note these checks on the grid stamp or the invoice certification label and complete by initial/signature in ink

D22. Ensuring that invoices, vouchers and other records are retained and stored in a secure way.

Internal Controls

- Segregation of Duties: No individual should both authorise and process the same transaction.
- Bank Signatories: Two authorised signatories for all payments.
- Regular Reporting: Monthly reports to Headteacher; termly to Finance Committee; summary to FGB.

School Credit Card

- D23. Expenditure incurred using the school's credit card must be accompanied by a completed official order providing full details of the expenditure incurred and the relevant budget information that the expenditure is to be charged to. The order must be signed by the credit card holder and two authorised signatories. Proof of the expenditure in the form of a receipt or online order confirmation must be attached to the order.
- D24. When the monthly statement of charges arrives, a member of the admin team, not involved in any of the purchases, is to check the statement against the order, and sign to confirm that the totals agree.

Salaries and Wages

- D25. Notifying the Payroll provider of any matters affecting payments to employees of the School/Council.
- D26. The following members of staff, in addition to the Headteacher, are authorised to certify pay documents and time records (excluding documents relating to themselves): -
- Deputy Headteacher
 - School Business Manager

Security of Assets

- D28. Responsibility for the receipt, care and safe custody and issue of stocks and stores.
- D29. Maintaining an inventory, in accordance with the instructions in Tower Hamlets' Schools Financial Procedures, of all items of furniture, equipment, vehicles and plant with a value an individual item in excess of £150, or, where less, are considered to be vulnerable to theft (e.g. cameras).
- D30. The inventory record, whether manual or computerised, shall be a permanent and continuous record and include the following information:
- date of acquisition
 - description of the asset including a unique identification mark such as a serial number
 - cost
 - location of asset
 - details of disposal or write-off
- D31. Where appropriate, arranging for the security marking of such items.
- D32. Maintaining a record (Loans Book) in accordance with the instructions in the Tower Hamlets' Schools Financial Procedures, of all school property removed from the

premises. Where the use is for other than school business, the School Business Manager shall ensure approval of the Finance Committee.

D33. Ensuring that maximum limits of cash held do not exceed the Council's insurance cover.

Petty Cash

D34. Maintaining a petty cash balance that does not exceed £250

D35. Petty cash payments should not exceed £30 and under no circumstances should be used for:

- Salaries and wages
- Personal use or as loans
- Cashing personal cheques

School Bank Account

D36. The school operates the following bank accounts:

LBTH WOOLMORE PRIMARY SCHOOL DISBURSEMENT ACCOUNT – Natwest

Cheques and/or BACS payments issued on all accounts require any two signatures from the following three:

- Headteacher
- Deputy Headteacher
- Assistant Headteachers
- School Business Manager

The Bank orders chequebooks for all the accounts automatically. All chequebooks are kept in a locked cupboard in the School Business Manager's office when not in use.

Copies of the bank mandates are kept in the School Business Manager's office.

BACS Payments

D37. The school's preferred method to pay invoices is by BACS and the following procedures are to be followed:-

- Follow usual procedures as described above in relation to ordering, receiving goods and processing invoices.
- All invoices from suppliers must now include full details relating to BACS payments
- Once all invoices have been processed for payment, the SBM will print a BACS Payments Pending Report and attach to the invoices that this relates to.
- The SBM will confirm that the Payments Pending Report is true, accurate and

- correct before passing this along with invoices to Headteacher for authorisation.
- The SBM will create a BACS export file with the anticipated date for payment. At the same time email remittance advice notes for suppliers will be created.
- The SBM will then enter the generated BACS number as shown for the individual invoices on the invoice certification label.
- The SBM will then log onto the bank's internet banking website and import the Arbor Finance generated BACS file so that it is awaiting authorisation by the Headteacher or other member of the SLT team as authorised user.
- The Headteacher or other authorised person will log onto internet Banking (Natwest Bankline) and using their personal smartcard will check through and match payments awaiting authorisation to the payments pending report and invoices provided by the SBM.
- Once all checks are complete and the Headteacher or other authorised user is confident that figures tally, then they will confirm payments and sign the report.
- The report and invoices will then be given to a further bank account authorised signatory, i.e. Deputy Headteacher or Assistant Headteacher to sign their approval of the BACS payment transfer.
- Authorised and signed reports will be filed in the appropriate finance file.

Bankline Permission	Delegated Officer
Administrator / inputter	School Business Manager
Authoriser	Headteacher
Authoriser	Deputy Headteacher

Cheques Payments

Where Bacs payments cannot be made to suppliers as bank account details are not provided, then payments will be made by cheque

- All cheques must be crossed "Account payee only".
- No cheque is pre-signed. A system of printed cheques was introduced in December 2007, in accordance with recommended good practice.
- Cheques are kept in a locked cabinet.

11.2 There is no facility to overdraw.

11.3 Bank statements are received monthly and are reconciled with the monthly accounts.

11.4 Reconciliation is carried out by the School Business Manager and countersigned by the Headteacher

11.5 The balance of funds in the account is accruing a rate of interest. The Governing Body do not have any power to invest school budget funds.

11.6 No payment or receipt is made through a private bank account.

E. PURCHASING & TENDERING POLICY

- E1. The school has adopted a tendering policy for items of work of significant value, which carefully analyses and compares all possible options to ensure that best possible value for money is obtained.

This policy assumes the use, in appropriate cases and where required, of Tower Hamlets own Tendering Regulations, and of outside consultants to draw up the specification, receive tenders, and make recommendations to the school.
- E2. For goods and services up to £1000 per individual item one verbal quote is required.
- E3. Individual goods and services that are over £1000 but less than £5000 are subject to a minimum of one written quotation.
- E4. Individual goods and services with a value of £5000 up to £20,000 are subject to three written quotations/tenders requiring approval from the Resources Committee and must be on an Official Order/Contract
- E5. Individual goods and services valued at over £20,000 and over are subject to full tender (see below). These will require the full Governing Body's Approval
- E6. Recurring contracts will be reviewed for value for money approximately every three years or prior to renewal, e.g. catering, pay, grounds maintenance, heating, etc.

FULL PROCEDURE

Appointment of Consultants for the provision of major works and/or services

Should the school choose not to use the relevant section within Tower Hamlets, where available, the Governors, the Headteacher and the School Business Manager will draw up a list of consultants with relevant experience and acceptable fees. After consultation they recommended a firm of consultants to the relevant committee for approval for the particular work to be done. They must ensure that the consultants follow the required tendering procedures as detailed below.

Following approval by the governors the Headteacher confirms the appointment of the consultants in writing to them. The fee rates are also confirmed in writing.

Invitation to Tender

The consultants draw up the specification identifying the work to be performed in conjunction with the Headteacher, and any other person with relevant interest depending on the work to be done, e.g. Senior Management Team, staff, etc.

Specification – this should include

- Technical details
- Health and Safety considerations
- Insurance requirements
- Contract
- Payment details
- Logistical details

Form of Tender

The form of tender should include:

- The total contract price including VAT implications
- A breakdown of the price to specific elements of the works
- Time Scale

Selection of Companies invited to tender

The appropriate Committee will draw up a list of the organisations invited to tender. The list will be reviewed and agreed by the Headteacher, who will check Governors' interests in any of the organisations. The appointed consultants will send out invitations to tender.

Receipt of Tenders

Tender documents will be sent to the school. More than one person should open all tender documents on the same day. The name of the tenderer and the contract price should be recorded.

Tender Evaluation

The tenders will be evaluated on the following criteria:

- Compliance with technical and contractual requirements
- Price & VAT implication
- Arithmetical check
- Appropriate qualifications of the organisation
- Knowledge of quality of work and reliability
- Previous experience of similar work
- Previous experience of working with the school
- Time scale involved

In all cases a formal report should be prepared summarising the above.

The relevant Committee will decide or recommend (as appropriate) to the Governing Body the tender to be accepted. Where it is recommended that the lowest tender be not accepted, the rationale behind the decision should be documented.

No work may commence until formal letters of approval are issued.

E8. Emergency Decisions

If an urgent decision is necessary and it is not practicable to call a meeting of the appropriate Committee, then a decision may be taken by either the Chair of Governors or the Vice Chair in their prolonged absence.

Emergencies include urgent matters of Health and Safety, and matters which affect the normal operation of the school.

F. BUDGET HOLDERS RESPONSIBILITIES

F1. The Headteacher may delegate parts of the budget to budget-holders. The overall responsibility remains with the Headteacher.

F2. Budget Holders:

- should not use capitation for furniture, ICT hardware or electrical equipment save (exceptionally) if agreed by the Headteacher
- must only buy ICT equipment in accordance with the school's ICT policy
- must place all orders before 31 December
- may not overspend their allocations
- must take into account value-for-money considerations
- must continuously monitor expenditure

G. SCHOOL VOLUNTARY FUND

G1. The school does not operate a separate voluntary school fund.

Appendix: Summary of Scheme of Delegation and Purchasing and Tendering Limits

Financial Limits per individual item, service or virement

Category	Amount From (£)	Amount To (£)	Primary Approver (Role)
Purchase Orders	£0	£1,000	Budget Holder (Dept Head)
Purchase Orders	£1,001	£5,000	School Business Manager
Purchase Orders	£5,001	£15,000	Headteacher
Purchase Orders	£15,001	£20,000	Finance Committee
Purchase Orders	£20,001	£200,000	Governing Body
Invoices	£0	£15,000	School Business Manager
Invoices	£15,001	£24,999	Headteacher
Invoices	£25,000	£50,000	Finance Committee
Invoices	£50,001	£200,000	Governing Body
Virements	£0	£5,000	Headteacher
Virements	£5,001	£20,000	Finance Committee
Virements	£20,001	£200,000	Governing Body
Asset Disposal	£0	£250	Headteacher
Asset Disposal	£251	£2,500	Finance Committee
Asset Disposal	£2,501	£10,000	Governing Body

Other: Petty cash reimbursement maximum amount £30

Purchasing and tendering

Amount per individual item or service	Process
Up to £1,000	One verbal quote
£1,000 - £5,000	One written quote
£5,000 - £20,000	Three written quotes with approval from Resources Committee
Over £20,000	Full tender process
Leasing	Approved by Governing Body up to £3000. Above £3000 LA