



GRANTA SCHOOL

Terms of Reference for the Finance Committee

MEMBERSHIP

The Finance Committee shall consist of not less than three full governors not including the Head Teacher and the Business Manager.

The committee may appoint such co-opted, non-voting members as agreed by the governing body. These members will serve in an advisory capacity and may include staff nominated by the Head Teacher following consultation with the committee.

Other members of the governing body may attend meetings of the Finance Committee and may contribute to discussions on matters under consideration.

Both full and associate members of the committee, as approved by the governing body, shall have the right to vote on any resolution placed before the committee unless pecuniary or any other beneficial interest preclude them from taking part in a vote.

QUORUM

The quorum shall be three full governors.

MEETINGS

The committee shall meet every term and otherwise as necessary to co-ordinate with reporting to the Full Governing Body and LA budget submission deadlines. The committee shall review the dates of future meetings to ensure that a schedule exists for the academic year.

CHAIR

The Chair to be elected at the first committee meeting of the academic year.

If the chair is absent from a meeting, another governor may be elected to take the chair.

STANDING ORDERS

The agenda for the meeting shall be distributed at least seven days before the meeting. A summary of decisions taken, and points for action, will be kept as a record of the proceedings of the meeting, and a verbal report given at the next full meeting of the governing body.

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.

TERMS OF REFERENCE

The Finance Committee will have delegated powers from the governing body to:

Finance

- To provide guidance and assistance to the Head Teacher and the governing body in matters relating to the governors' financial responsibilities
- In consultation with the Head Teacher, to draft the first formal budget plan of the financial year, in the context of the SDP (School Development Plan).
- To monitor a three-year financial forecast
- To consider a budget position statement including virement decisions at least termly and to report significant anomalies from the anticipated position to the governing body.

- To have delegated authority from the Governing Body to prepare and recommend the annual budget. If a budget deficit is to be set, the Full Governing body must be consulted prior to F&GP finally revising that budget and associated deficit. F&GP will seek advice and input from the Personnel Committee in setting total salary and costs of employment budget.
- To ensure that the school operates within the Financial Regulations of the County Council.
- To monitor expenditure of all voluntary funds kept on behalf of the governing body.
- To annually review charges and remissions policies and expenses policies.
- To make decisions in respect of service agreements that are above the Headteacher delegated limits.
- To make decisions on expenditure following recommendations from other committees.
- To determine whether sufficient funds are available for pay increments as recommended by the Head Teacher and the Human Resources Committee
- In the light of the Head Teacher Performance Management Group's recommendations, to determine whether sufficient funds are available for increments.
- To advise the governing body on priorities for the maintenance and development of the school's premises.
- To oversee arrangements for the use of the school premises by outside users, subject to governing body policy.
- To draft and keep under review the staffing structure in consultation with the Head Teacher and the Personnel Committee.
- To award contracts by tender – detailed in the Delegation of Responsibilities for Expenditure Matrix (Appendix 3).
- To allow access to internal audit staff and external auditors reviewing reports by internal audit staff (concerning the effectiveness of financial controls and procedures).
- To review, at the first meeting in each academic year, these financial regulations, and terms of reference, and make any recommendation for changes to the governing body.
- Committees shall submit a business case to the Finance and General Purposes Committee, where there is an impact upon the school budget arising from their deliberation and recommendation.
- To be aware of other funding opportunities and how these can be accessed
- To approve and review pupil specific spending such as the annual Pupil Premium strategy

Appendix 1: FINANCIAL RESPONSIBILITIES OF THE HEAD TEACHER

The Head Teacher is responsible for the day-to-day management of the school's financial affairs and has the power to exercise virement and to make individual non-budgeted expenditure decisions as detailed in the current Delegation of Responsibilities and Expenditure Matrix (Appendix three).

The Head Teacher, with the assistance of the Business Manager, is responsible for the preparation of the draft annual budget (and should ensure that a copy of the budget as approved by the governing body is returned to the LA by the deadline each year) and for the provision of termly budget monitoring information to the finance committee together with a copy of the latest FMS Budgetary Control Report (BCR) and/or the Variance Report.

The Head Teacher is responsible to the Finance & General Purposes committee for ensuring that sound systems of internal control, appropriate separation of duties and delegation to other staff are in place, and for ensuring that LA Financial Regulations, Standing Orders for Contracts and the LA Financial Control Standards are complied with.

Appendix 2: FINANCIAL RESPONSIBILITIES OF THE BUSINESS MANAGER

- To have oversight of all matters relating to the administration of all school finances and to ensure such matters are handled in accordance with regulations to a high level of efficiency. This particularly applies to the provision of management information and operation of local bank account.
- Preparation of budgets with accountancy advice within timetable for final approval. Also, advising on budget position and budget preparation having an oversight of all accounts including reporting difficulties and issues to Head Teacher and Heads of Department.
- Ensure school complies with VAT legislation.
- Ensure banking/accounting of all monies.
- Ensure ordering of goods and supplies and approval of invoices for payment within agreed regulations. Monitor quality of purchases. Seek out new suppliers.
- Monitoring payroll information, checking for accuracy and ensuring compliance with pay policy.
- Liaison with appropriate staff and co ordinate expenditure on Inset etc.
- Locating, collating analysing, and presenting information.
- To have overall responsibility and direction of all support staff including caretakers and cleaners making the best use of physical, financial, and human resources available. Recruiting, interviewing, and appointing. Developing and implementing an induction process and training for all new appointments.
- To be responsible for ensuring the fabric of the building, furniture and fittings are maintained. Seeking out new suppliers and ensuring contractors meet the required standards – grounds maintenance.
- To be fully conversant with Health and Safety regulations and ensure they are complied with.
- To promote and establish arrangements for use of school premises for school and non school activities. Develop mutually beneficial links between the school and the wider community.
- Development and maintenance of computer systems ensuring current systems answers and operates effectively keeping abreast of new technology, advising, and recommending as required.
- To ensure timely and effective support to Governing Body by organising, attending their meetings and providing general support to ensure the effective conduct of their business in accordance with the articles of government

Appendix 3: DELEGATION OF RESPONSIBILITIES FOR EXPENDITURE MATRIX

Budget Holder	Up to £5,000 subject to budget availability and sign off by two: Head Teacher, Deputy or Business Manager
Head Teacher, Deputy or Business Manager (two of three officers to approve)	£5,000.01-£30,000 subject to budget availability and receipt of three quotations.
F&GP	£30,000.01-£75,000 subject to tender process
County Finance Officer	£75,000.01+ subject to EU Thresholds

We use the SIMS and FMS6 systems as provided by Cambridgeshire County Council for all auditing and management information purposes.

Appendix 4

All Relevant Contracts (see regulation 4) must be subject to competition, unless there is an exemption, as follows:

Up to £5,000

One oral quote (confirmation in writing where the *Total Value* exceeds £500 is considered best practice).

£5,000.01-£30,000

Three written quotes to a purchaser specification.

£30,000.01-£75,000

Formal Invitation to Tender, **including specification** (and normally to contract terms and conditions) to at least four candidates. No need to advertise or select candidates from an Approved List. Selection to be approved by Governing Body.

£75,000.01-EU Threshold

Formal Invitation to Tender, as above, to 4 candidates. Selection of candidates after advertisement or from Approved Lists.

Above threshold

EU procedure

Disposals

See Regulation 8.6

Exemptions

See Regulation 3

Appendix 5

Refer to the Health and Safety Policy for the responsibilities of the Head Teacher in the day-to-day operations of the school.