

The Governing Body of Sir Thomas Abney Primary School

Terms of Reference Resources Committee of the Governing Body

Membership of the Resources Committee

Michael Jacobs (Committee Chair)

Geraldine Fitzmaurice (Headteacher)

Leonie Allister (Chair of Governors)

Lisa Neidich

Olalere Ladipo

Mohamed Contractor

Tosin Adeboye

The committee will meet termly

The membership of the Committee and these terms of reference were agreed at a full meeting of the governing body held on _____

Signed _____ (Chair of Governing Body)

The **Terms of Reference** for the Resources Committee are as follows:

1. To determine the governing body's responsibilities in respect of financial management, in the context of the Schools Financial Value Standards, and to establish a statement of financial policy to which the school must adhere.

2. To review the statement of financial policy on an annual basis, in the light of changes in legislation or Local Authority standing orders and procedures.
3. To consider the School Development Plan (SDP), and prepare a corresponding annual budget for approval by the full governing body.
4. To ensure that adherence to all financial controls and procedures, as stipulated by the Local Authority; to ensure the probity of the school's accounting procedures.
5. To ensure that the school's day-to-day financial management is established on firm principles of financial monitoring and control; to require monitoring reports of expenditure and income against the school's delegated budget, from the headteacher, at each of the committee's regular meetings; to review the school's procedures for financial monitoring and control on an annual basis, and to liaise with the headteacher on specific aspects of those procedures.
6. The headteacher is given power to authorise virements not in excess of £5,000. Any such virements must be reported to the next meeting of the committee. The committee is given the power to authorise virements not in excess of £20,000 (e.g. Salaries and in an emergency by Chair's action). Requests for virements in excess of this amount must be authorised by the full governing body. The committee must inform the governing body of all virements.
7. The headteacher may authorise expenditure for any single purchase up to and including £5,000. The committee may authorise expenditure for any single purchase up to and including an amount of £10,000. Single purchases above this amount must be considered by the committee in line with the Authority's financial regulations, including those pertaining to tendering, and recommendations put to the full governing body for authorisation.
8. The School does not operate a Voluntary Funds account.
9. To provide guidance to the governing body, and to the headteacher, on all matters relating to the school's finances, as and when required; to correspondingly seek advice external to the school (from the Local Authority, or elsewhere as appropriate), as and when required.
10. The Resources Committee should have 3 Governors and the Headteacher or the Headteacher's representative present for a quorum.

Signed: _____ (Chair of Governors) Date: _____

Finance Policy for Sir Thomas Abney Primary School

1. Budget Preparation

- (A) The school's delegated budget is normally published in the March preceding each financial year by the Local Education Authority (LEA). This committee requires the Headteacher to submit a draft budget in April/May for consideration by the committee. The committee will require the Headteacher to demonstrate how the draft budget conforms to the School Development Plan (SDP). The committee will also require the headteacher to provide an explanation of the assumptions behind her/his calculations for various estimates. For example, the headteacher should report to the committee which staff have been costed, and for what period(s) within the financial year.
- (B) If the LEA supplements the delegated budget during the financial year, the committee will require the headteacher to provide options for the committee's consideration as to how the supplements are to be used.
- (C) The committee will present the finalised budget to the governing body for ratification.

2. Budget Monitoring and Control

- (A) As the governing body requires the committee to convene regular meetings, the committee correspondingly requires the headteacher to present financial statements to it, in respect of the school's delegated budget. This financial statement must state the following:
 - i. the current level of expenditure (net of income) and commitments,
 - ii. the projected level of expenditure (net of income) and commitments for the full financial year,
 - iii. the current budgetary provision, and
 - iv. any difference between ii and iii, whether an over- or under-spend,

for each of the budget headings presented in the budget. The headteacher must also provide an explanation of the assumptions behind her/his calculations, particularly where the difference exceeds 5% or £5,000 (whichever is the smaller) of the current budgetary provision. If the 5% or £5,000 trigger is exceeded the headteacher must also present options for action for each of the affected headings, for the consideration of the committee.

- (B) The headteacher may perform virements between headings in the delegated budget of up to and including £5,000, but must report such virements to the next available meeting of the committee. Virements greater than £5,000 and not exceeding £20,000 must be approved by the committee before they are performed. All virements will be reported to the full governing body at the next available meeting.

- (C) The headteacher may authorise expenditure for any single purchase up to and including £5,000, but must report any single purchase exceeding £10,000 to the committee. The headteacher must do so in accordance with the Authority's standing orders (listed in Annex D of the LMS Scheme). For amounts in excess of £10,000 the Headteacher must submit a request to the committee for consideration, submitting any written quotations or written tenders (for amounts exceeding £15,000). The committee will consider the written quotations/ tenders and make recommendations to the full governing body for authorisation.
- (D) The committee delegates responsibility to the headteacher to establish efficient and effective systems for day-to-day procedures for making purchases and/or generating income, and robust systems of accounting in accordance with the Authority's financial regulations. The committee requires the headteacher to provide written procedural notes to all staff making purchases, and to table all written procedures with the committee.

3. The School Fund

The school does not operate a school fund account.

Signed: _____ (Committee Chair)

Date: _____