



MARNER
PRIMARY SCHOOL

Code of Practice for Financial Management



School Name: Marner Primary

Date policy was approved: May 2025

Review date: May 2027

Person responsible for overseeing Code of Practice for Financial Management: **SLT**

Person writing this policy: **SLT**

Code of Practice for Financial Management (Including Scheme of Delegation)

1. Statement

This Code of Practice details procedures and practice agreed by the Governing Body of Marner Primary School.

2. Aims and standards

- a) The Governing Body aims to help the School provide the best possible education for its pupils by ensuring that all available resources are used effectively and efficiently.
- b) The Governing Body accepts that it is accountable to the London Borough of Tower Hamlets and also to the parents and the wider community for the way it carries out its duties and responsibilities for financial planning, management and control.
- c) The Governing Body will carry out its responsibilities at all times in accordance with the current legislation and regulations.
- d) The Governing Body will also act fairly and without prejudice,
- e) The Governing Body, in consultation with the Head teacher, will fulfil its responsibility for overseeing good financial practice within the School and for compliance with the Procedures as set out in the *Schools' Financial Procedures Manual Updated 2023* of the London Borough of Tower Hamlets.

3. Budget preparation and budget monitoring

- a) The Head teacher and School Business Manager are responsible for drawing up proposed budget estimates, in consultation with the Finance & Resources Committee, for consideration and approval of the Governing Body.
- b) The budget for each financial year must be approved in line with the Local Authority timeframe. This can change from year to year.
- c) The Head teacher and the School Business Manager will provide budget monitoring reports to members of the Governing Body and present a written financial report and monitoring report to the Finance & Resources Committee and Governing Body meetings.

- d) The Head teacher and the School Business Manager will provide the Governing Body with the financial information, advice and recommendations it needs to carry out its functions effectively and to understand how the School is performing.
- e) The Head teacher, in consultation with the Finance & Resources Committee, will be responsible for drawing up and keeping under review a statement setting out the objectives and purpose of the school fund account.

Delegation of functions

- a) The Governing Body has established a Finance & Resources Committee to which its financial functions, apart from the approval of the budget, are delegated.
- b) The Finance & Resources Committee shall comprise of at least three governors and the Head teacher.
- c) The Governing Body must agree the Terms of Reference for the Finance & Resources Committee and review the terms annually.
- d) The school now operates payment by BACs as the primary payment method to suppliers. After all invoices have been approved, the Finance Officer is responsible for uploading the payments to RBS Bankline. Either the Headteacher or the School Business Manager must authorise the payments. There can be no cross over between uploading payments and authorising payments ie. The same person cannot carry out both functions.
- e) The following members of staff are authorised by the Governing Body to be signatories to both School Disbursement and School Fund Accounts.

Headteacher	Sarah Bowmer
School Business Manager	Clare Hendrie
Deputy Headteacher	Jane Scott-Gall

- f) All cheques and both Bankline authorisations must be signed by two of the signatories. The Chair of the Finance & Resources Committee must be notified in writing of payments in excess of £25,000 (excluding payments to LBTH) for whatever purpose, including cheques/BACs transactions paying for multiple invoices from one supplier. A copy of this notification should be attached to the payment invoice.
- g) The following members of staff are authorised by the Governing Body to be signatories to official orders & overtime claims.

Headteacher	Sarah Bowmer – Orders & OT
School Business Manager	Clare Hendrie – Orders
DHT & AHT	Carol Doherty, Jane Scott-Gall, Stuart Seamark – OT

- h) The Head teacher may vire amounts of up to £10,000 between approved budget account allocations. However after seeking approval from the Chair of the Finance & Resources Committee, the Head Teacher may vire amounts of between £10,001 – £15,000 between approved budget accounts. All virements are to be entered in the *RM Unify* accounting program and a virement report must be printed and signed and presented at the next meeting of the Finance & Resources Committee. Virements between £10,001 and £15,000 must be reported to the next meeting of the Governing Body.
- i) All additional and changes to funding received after the setting of the budget will be reported back to the Finance & Resources Committee alongside the most recent LA budget monitoring report.
- j) The School Business Manager must seek written approval from LBTH before entering into any leasing or rental agreement over £5000 per annum. Any new leasing or rental agreement over £5000 must also be approved by the Finance & Resources Committee. Hire Purchase agreements may not be entered into.
- k) At all times the Governing Body, the Head teacher and members of staff will comply with the *Schools' Financial Procedures Manual 2023* of the London Borough of Tower Hamlets and the Audit Commission and OFSTED guidance and advice as set out in *The DfE Finance Toolkit*.
- l) The Head teacher and the Resources Committee will be responsible, in the first instance, for responding in detail to any audit reports and ensuring that recommendations are carried out within a reasonable time-scale. Copies of all audit reports must be presented to the Governing Body for its consideration.

4. Accountability and control

- a) The Head teacher and the School Business Manager will monitor all income and expenditure every month, paying particular attention to payroll charges, to ensure the accuracy of all financial records.
- b) The School Business Manager will reconcile the School's financial records with the bank accounts, the payroll reports and the various LEA reports each month. Any significant variations from the approved budget estimates or from expected expenditure are to be investigated and reported to the Finance & Resources Committee at the termly meetings.
- c) All financial and payroll reports must be signed off by the Headteacher on a monthly basis.
- d) The School Business Manager will ensure that a bank reconciliation for the main school bank account is carried out monthly and the required reports including VAT are sent to the LA as per their requirements.
- e) The Head teacher and the School Business Manager will provide termly, budget monitoring reports to the Resources Committee and a summary monitoring report to each ordinary meeting of the Governing Body. The Finance & Resources Committee will agree on a reporting format.

- f) The procedures detailed in the *Schools' Financial Procedures Manual 2023* and the guidance and advice set out in *The DfE Finance Toolkit* will be followed at all times with regard to the placing of orders and the purchase of goods and services and the for the paying of invoices and accounts.
- g) All purchase orders must be signed by two members of staff, one of whom must be the stated budget holder and the other who is a signatory to the School's Bank account. In authorising a purchase order they will confirm that: 1) the correct budget has been used and 2) the said budget has sufficient funds to cover the proposed expenditure.
- h) The school uses Arbour Finance as its accounting system and SBS Online as its budget and payroll tool.
- i) All financial records are kept by the school in electronic format for the required length of time. These records include but are not limited to: purchase orders, paid invoices, BACs reports, payroll reports, overtime claims
- j) The school uses Parago as its Asset Management System. The Admin Officer is responsible for ensuring all valuable items and those easily stolen are entered into the computerised Stock Inventory as soon as possible after they have been received. These entries must include: serial numbers of individual items, where appropriate, model numbers and/or descriptions, date of purchase, approximate value and the location where the item is stored or kept. Where appropriate valuable items must be security marked and kept locked up when not in use.
- k) Inventories must be kept securely and regular backups taken via Parago.
- l) A report will be produced annually for the The Finance & Resources Committee will to review in the Spring term to ensure that they are a true record of the stock within the School

5. Purchasing

- a) Only a Budget Account Holder, authorised by the Head teacher, may place orders for the supply of goods and services.
- b) All purchase orders must be approved by either the Headteacher or the School Business Manager. The School Business Manager may only approve purchase orders if the required funds are available within the relevant budget. If funds are not available these purchase orders must be referred to the Headteacher for approval
- c) All orders must be made using a Marner School official, printed, sequentially numbered order form or preferably an order form automatically generated from the *Arbour Finance* accounts program.
- d) Verbal, telephone and online orders must only be used in an emergency. Sufficient funds must be available in the budget. Verbal authorisation must be sought from the Headteacher before placing the order. Verbal, telephone and online orders must be followed up within 24 hours with an order form generated from the *Arbour Finance* accounts programme.
- e) Official orders, once signed by two signatories as specified above, should be emailed to the supplier.

- f) All members of staff responsible for making purchases will 'test the market' to ensure value for money and the best use of the School's budget. The exceptions to this will be when the school uses an external procurement advisor.
- g) For single item purchases over £5,000 three written quotations should be obtained.
- h) When purchasing regularly from the same supplier a check should be made from time to time to ensure that value for money, or appropriate discount, is being obtained over the year.
- i) Official orders may not be used for individuals to obtain goods or services for their private use.
- j) The Finance Officer will ensure that all goods and services received are carefully checked and that delivery notes and invoices are marked to confirm this checking process.
- k) The Finance Officer will check that the prices, and VAT if due, as shown on the invoices has been calculated correctly before passing the invoice with the PO attached to the budget holder for their approval.
- l) All invoices should be noted as follows:
- m) Confirm that all delivery notes/job sheets are attached and that the invoice has not been paid previously – Finance Officer
- n) Goods/Services received & Amount/Calculations Correct – Budget Holder
- o) Authorised for Payment – SBM
- p) Certified for Payment – Headteacher
- q) Payment Processed – Finance Officer
- r) Date of Payment & BACs/Cheque No – Finance Officer
- s) Budget Account holders may make local purchases after gaining authorisation from the Headteacher and completing a purchase order .
- t) As a rule all local purchases should be limited to a maximum of £100. Only in exceptional circumstances should this be exceeded. Authorisation must be sought from the Headteacher before the purchase is made and an order requisition completed and signed by the Headteacher. All reimbursements will be made by BACs.
- u) An authentic VAT receipt must be obtained where applicable for all Local purchases so that the School can claim back the tax and make full use of the budget available.
- v) Purchase receipts must be firmly attached to an official Local Purchase reclaim form which must be completed and signed using the same procedure as for an invoice.

Collecting money

- a) The following procedure applies to all members of staff and volunteers when collecting money from pupils and parents, including online donations made to the school.
- b) Members of staff may not collect money from pupils or parents without prior approval of the Head teacher.

- c) Money may only be collected in accordance with the Charging and Remissions Policy of the Governing Body (reviewed annually), the LA arrangements for dinner money collections, the sale of small items as authorised by the Head teacher or for parental contributions to residential school journeys
- d) All monies must be presented to the school office in envelopes or other sealed or enclosed containers must be opened and counted in the presence of two persons and the amount entered in the record.
- e) In addition to the above, members of staff who take responsibility for organising a School Journey must adhere to the procedures for School Journeys as set out in the *Schools' Financial Procedures Manual Updated 2023*.

Marner Primary School Scheme of Delegation

Action	Headteacher	Chair of Finance Cttee	Finance & Premises Cttee	Governing Body	LA
Expenditure (Contracts, Quotations, Orders, Purchases)	£15,000	£15,001 – £20,000	£20,001 – £30,000	Over £30,000	
Virements	£10,000	£10,001 – £15,000	£15,001 – £20,000	Over £20,000	
Debt Write Offs	£100		£101 – £1000	£1001 – £10,000	Over £10,000
Asset Write off and Disposal	£5,000	£5001 – £10,000	Over £10,000		

Expenditure Controls

Market Testing – the school will obtain 3 written quotes for orders over £5,000 (net). Regular payments for supply staff, utilities and stock orders are excluded as they will have undergone market testing at the time of their procurement.

Goods and Services with a value of over £60,000 are subject to full tender and require the approval of the full Governing Body.

Approved by the Finance & Resources Committee at its meeting held on 23rd October 2024

Signed:

Chair of Governors

Reviewed: October 2025

Approved by Governors : 23rd October 2024