

Finance Committee

Membership	
	Date Appointed to the Committee
All governors	Annually at AGM
Disqualifications: Any governor or member of staff who has a business or pecuniary interest in an item for discussion or decision at a meeting must declare that interest at the appropriate time, leave the meeting and take no part in that discussion or decision.	

Chair of the Committee	Mike Firth
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Clerk to the Committee	
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Meetings	Once per term
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Quorum	Initially 2, when full complement of governors then 3
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(Minimum of 2, however the committee can determine a higher number)

Terms of Reference

- To ensure the proper and efficient management of all money available to the school, in accordance with the local authority's Financial Regulations and Standing Orders
- To ensure that a financial management policy relating to financial decision-making and administration is produced, defining the respective responsibilities of the governing body, the Finance and Staffing committee, the head teacher and other staff, for approval by the governing body
- To review the financial management policy on an annual basis and recommend to the governing body any amendments it considers necessary
- To ensure that the school has written descriptions of all the school's financial systems and procedures in place, and to review these on a regular basis
- To participate in school self evaluation activities of financial performance/controls
- To develop a 3 year strategic financial plan within the context of the school's aims and ethos, and to review this on an annual basis
- To receive the outcomes of financial audit reviews and report back to Internal Audit on any action taken in response to their findings
- To determine, on an annual basis, the nature and level of service purchased from local authority, and other providers, service level agreements, as detailed in the annual Portfolio of Services to Schools
- To ensure value for money in relation to the purchase of any goods and services in accordance with Financial Regulations, as follows:
 - For orders up to £5000, to test the market and obtain the most cost effective deal for the school
 - For orders between £5000 and £20000, obtain oral or written quotations from a minimum of 2 contractors plus one on advice of Building Manager where appropriate)
 - For orders between £20000 and £50000, obtain written tenders from a minimum of 3 suitable contractors.

save in exceptional circumstances, where it is inappropriate to seek quotations or tenders from 2 or 3 suppliers, the committee will seek permission from the Senior Executive Director, Children and Young People's Services. Where appropriate the committee will seek the advice of the school's Building Manager of Finance Officer

- To consider annual financial benchmarking information and discuss any issues raised by this
- To consider, amend if appropriate, and agree the first formal budget plan of the financial year, ensuring that the priorities within the Developing Excellence/School Improvement Plan are reflected within the budget
- To monitor expenditure against the agreed budget by examining budget profile statements on a

termly basis, and report any significant anomalies to the governing body

- To consider and make decisions about pay, following recommendations from the head teacher and appointed governors, as appropriate, in accordance with the schools Performance Management and Pay policy
- To report to the local authority on the intended use of any surplus balances
- To monitor virements to the school budget headings made by the head teacher within the limit set by the school's financial management policy (e.g. £x)
- To consider and, where appropriate, approve virements in excess of the limit available to the head teacher in accordance with the school's financial management policy
- To consider and, where appropriate, approve purchases of items in excess of the limit available to the head teacher in accordance with the school's financial management policy
- To consider, and approve where appropriate, the purchase of any insurance above that provided by the local authority
- To appoint independent auditors to all voluntary school fund accounts, and ensure that audits are undertaken on an annual basis
- To receive and approve the audited accounts, the auditor's certificate and a written report on the accounts of any voluntary school fund accounts within 6 months of the end of the financial year
- To review and approve the following policies in accordance with the policy review cycle:
 - Charging and remissions policy (statutory)
 - Annual review of lettings charges* (statutory)
 - Governors' Allowances policy (statutory, where the governing body determines that legitimate expenses can be reclaimed)
 - Data Protection policy
 - Information Security policy
 - Electronic Communications policy
- To consider and respond, on behalf of the governing body, to any consultation papers that fall within the remit of the committee
- To encourage the attendance of members on relevant governor training courses to increase their knowledge as appropriate;

NB:

The terms of reference make an assumption that the governing body has delegated powers to approve the first budget plan to the committee. If the governing body decides not to delegate this power to the committee, the terms of reference will need amending accordingly.

The committee is only responsible for ensuring that voluntary school funds are administered correctly, via the appointment of independent auditors, and ensuring that an annual audit is undertaken and reported to the committee. Decisions on how these voluntary funds are spent rest with the head teacher.

The governing body will need to determine which committee will have responsibility for determining the level of charges that apply when letting the school premises and include a statement in the terms of reference of the relevant committee.

Date Terms of Reference Originally Agreed by Governing Body	14.6.16
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Date Terms of Reference Last Reviewed by Governing Body	14.6.16
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INFORMATION TO ACCOMPANY TERMS OF REFERENCE FOR 2016-2017

Financial procedures manual reviewed April 2016 to be reviewed April 2017

School fund audit to be undertaken by Carol Favell, independent auditor

Data Protection Policy

Information Security Policy

Electronic Communications Policy

All to be reviewed at Spring Term meeting