

HARBORNE PRIMARY SCHOOL GOVERNING BODY

Terms of Reference

Finance Committee 2023/2024

Membership:

The Committee shall consist of at least 3 governors, plus the Head Teacher in his/her voting capacity.

Quorum:

The quorum shall be 3 voting members of which the Head Teacher should be one.

Meetings:

The Committee will meet at least once a term.

Any additional meetings will be called as necessary; at least 10 days notice must be given when calling a committee meeting.

Minutes:

The Clerk to the Governing Body is Clerk to the Committee. In the absence of the Clerk the Committee can appoint a member (but not the Head Teacher) to act as Clerk to the meeting.

Chairing:

The committee shall elect a Chair annually, usually at the first meeting of the academic year.

The Clerk, in conjunction with the Committee Chair, will be responsible for compiling the agenda. The agenda and meeting papers will be sent out to committee members at least 7 days in advance of the meeting.

Reporting to the Governing Body:

The Chair will report to the full Governing Body on main decisions taken and any recommendations that the Governing Body needs to vote on.

Areas of responsibility:

- The Committee will be responsible for evaluating and approving the Annual Budget and presenting this for noting to the full Governing Body. It will require the Head Teacher to provide sufficient information in advance of each financial year, in order to determine priorities in accordance with the School Improvement Plan. The Governing Body have delegated to the Finance Committee the authority to approve the annual budget, which would then be reported to the full Governing Body.
- It is the responsibility of the Committee to work within the indicative budget, for the forthcoming year and for it to indicate clearly any use that it is proposing to make of carry forward balances to support the development planning decisions from the full Governing Body.
- The Committee will receive budget reports, from SIMS from the Head Teacher, for consideration, prior to them being reported to the Governing Body.
- The Committee will give the Head Teacher responsibility for administration of the budget and its day-to-day control and monitoring. (see Statement of Delegation for the Head Teacher).
- The Committee, with the Head Teacher, will assess financial progress towards achieving the objectives in the School Improvement Plan and, consistent with this aim, will review projected expenditure for future years in accordance with the School Improvement Plan, working wherever possible on a three-year rolling programme.
- Review the financial implications on the budget of the Teachers Pay and Conditions document.
- Receive the annual accounts and certificate of audit of the school fund and other voluntary funds should they arise.
- Assess any insurance cover to ensure that it provides adequate protection against risks.
- Review and approve the amount of petty cash to be held by the School.
- Review annually all current school contracts.

- The Committee will undertake periodic reviews of roles and responsibilities in order to comply with the LA Standing Orders relevant to financial management and to recommend appropriate corrective action where necessary.
- To receive reports from the Head Teacher regarding the writing off or disposal of any surplus stock from the school inventory.
- Ensure the withdrawal of the individual if she/he has a business, pecuniary or personal interest in the business of the Committee. (see Annual Declaration of Pecuniary Interests)
- Agree to undertake training to keep up to date with national and local trends and policies.
- The Committee is responsible for ensuring that the school completes the Schools Financial Value Standard annually with particular reference to the governance arrangements and financial management roles and responsibilities.

Purchasing:

- The Committee will receive reports from the Head Teacher showing expenditure on single orders between £5,000 and £10,000.
- The Committee must approve single orders between £10,000 and £20,000 subject to receipt of 3 quotes.
- The Committee will receive reports of cumulative expenditure which exceeds £10,000 with any one supplier.
- Orders over £20,000 are to be referred to the Full Governing Body for approval.
- The School Bursar will produce a termly purchasing report for the Committee.
- The Full Governing Body will ensure that, where expenditure is likely to exceed Birmingham City Council's tender limit (currently **£181,302** and reviewed in January each year), the tendering procedure will be implemented in accordance with the Local Authority Financial Regulations and Standing Orders.

Virements:

- The Committee will receive reports on virements up to £5,000 made by the Head Teacher.
- The Committee will make decisions on requests from the Head Teacher on virements between £5,000 and £10,000.
- Proposed virements of over £10,000 will require approval of the Governing Body.

NB: The Head Teacher may vire larger amounts to and from staffing cost centres on the recommendation of the Local Authority Finance Officer, but such virements will be reported to the Finance Committee.

NB: These Terms of Reference will be reviewed and updated annually for approval by the Governing Body.