FORTUNATHENA
FEDERATION

FINANCE POLICY - Federation

Updating Policy Procedure

When a policy is due for review it will be emailed to the reviewer who will revise and highlight those updates and return the policy in full with the highlighted updates back to the Policy Co-Ordinator.

When a policy reviewer becomes aware of *any updates* they will ask the Policy Co-Ordinator to email the policy to them and follow the above procedures.

A policy is a statement of intent and the guidelines we follow, that is adopted by the Fortuna and Athena Federation's Governing Body.

Policy Reviewed by:	Justyna Smith
Updated on:	24th September 2025
Date to be reviewed:	October 2026
Date ratified at FGM:	23 February 2026

Introduction

The governing body recognises that it is ultimately responsible for the financial management of the school and has produced this policy document to help it fulfil those responsibilities.

Organisation

In view of the importance and complexity of financial management in the school, the governing body has established a Resources Committee to enable due consideration to be given to all financial, matters.

The governing body has delegated a number of its powers to the Resources Committee and Pay Committee (details of roles and responsibilities are set out later in this policy document).

The Resources Committee members are:
Chair: Jane Heeney
Vice Chair: Ella Moody
Member 1: Gail Brown
Member 2: Louisa Paola
Member 3: Hannah Keegan (Headteacher)
Member 4: Michelle Brown (Headteacher)

The Pay Committee members are:
Chair: Jane Heeney
Member 1: Janet Heeney
Member 2: Louisa Paola
Member 3: Hannah Keegan (Headteacher)
Member 4: Michelle Brown (Headteacher)

The Resources and Pay Committee members are decided at the first meeting of the full governing body each academic year; please see the relevant minutes for names of members
The Chair of the Resources an Pay Committee is elected at the first meeting of the Committee each academic year.

The Resources Committee plans to meet five times each year and agenda is determined by an ongoing rolling plan which is fully reviewed on an annual basis. However, the main focus will be as follows:

April – to agree the budget for the new financial year and to agree the finance plan.

July - to consider the first budget monitoring report for the year.

October - to consider the second budget monitoring report of the year and to update the school's finance plan in light of the September number on roll.

December - to consider the third budget monitoring report for the year.

February - to consider the final budget monitoring report for the year and a revised finance plan.

The Resources Committee will report, and make recommendations, to the full governing body. Minutes of each Resources Committee meeting will be presented to the next meeting of the full governing body.

Resources Committee members will be required to maintain strict confidentiality with respect to payroll and other sensitive information presented to them.

Roles and Responsibilities

The governing body recognises the importance of governors, Resources Committee members, the Headteachers of Schools and other budget holders being clear about their respective roles and responsibilities with regard to the financial management of the school. This section sets out those roles and responsibilities.

The **governing body** will:

- agree, and record in writing, the roles and responsibilities of the Resources Committee and Headteachers of each school
- review those roles and responsibilities on an annual basis
- elect the Resources and Pay Committee members each year
- review those roles and responsibilities on an annual basis
- elect the Resources Committee members each year
- approve the school's budget each year, ensuring that a copy is attached to the minutes of the meeting
- submit the approved budget to the Local Authority (LA) within the specified timescale
- approve the school's original and revised finance plans each year
- take appropriate steps to ensure the school's budget does not overspend
- contact the LA and seek approval to overspend where this seems unavoidable

- authorise the school's applications for loans from the County Council
- satisfy itself that the Resources Committee and Headteachers are fulfilling their responsibilities as set out in this policy document
- review detailed budget monitoring reports each term, ensuring that copies are attached to the minutes
- record in writing the transaction/process authorisation limits, etc. relating to the school's financial system for relevant members of staff (see Appendix A)
- agree the school's virement policy
- ensure that the school fund is audited each year
- ensure that a signed statement confirming that the school fund has been audited is issued to the County Council within its specified timescale
- review the financial training needs of governors, Head teachers and other budget holders on annual basis and fund training needs, as appropriate. A programme of free training is available from the Local Authority
- Governors will be reimbursed for any cost which they incur when attending Governors' meetings and training (Governors' expenses are subject to a separate policy)
- ensure that the school's Register of Business Interests and Conflict of Interests is kept up to date
- ensure that the school complies with the LA's guidance relating to Extended Schools and, in particular, that it does not subsidise extended school activities from the school's main budget share
- ensure that the Schools Financial Value Standard is completed and signed each year (see guidance on the GOV.UK website www.gov.uk/guidance/schools-financial-value-standard-and-assurance-sfvs
- review the Finance Policy document on an annual basis

The Resources Committee will

- familiarise themselves with this policy document and their roles and responsibilities are determined at the first Resource Committee meeting at the start of the academic year
- ensure that the school complies with the LA's Scheme for Financing Schools, as approved by the Secretary of State
- familiarise themselves with the way in which schools in Lincolnshire are funded
- contact the LA for advice in relation to leasing arrangements, as appropriate (Director of Resources Treasury Office)
- produce a timetable of meetings at the start of the year outlining their key purpose

- consider the draft annual budget papers by the Headteacher
- consider updated medium term finance plan in November
- consider the draft 5-year finance plan in May
- consider budget monitoring reports produced by the Federation Business Manager throughout the year
- monitor the financial performance of catering and other functions (where applicable) throughout the year (some trading activities within school should not be subsidised by budget share)
- ensure that the school obtains value for money (refer to Finance Handbook for more information)
- use management information, particularly that supplied by the County Council, to challenge the way in which the school uses its financial resources. The Consistent Financial Reporting website can also be used to assist with comparisons (refer to Finance Handbook for more information)
- ensure that the school complies with the County Council's financial regulations (available at www.lincolnshire.gov.uk, and follow menu path Home>Interested in Local Democracy>How the Council Works>Finances>Financial Controls>Financial Regulations & Procedures)
- report to the full governing body
- ensure that the Schools' Financial Value Standards are completed, signed and sent to LA
- ensure that audit recommendations are implemented within a reasonable timescale
- ensure that the school has a list of certifying officers for the purpose of signing cheques, certifying employee claims etc. and review this on an annual basis
- ensure that assets with a value up to £20,000 are disposed of in accordance with the guidance set out in Section E of the Finance Handbook

The Pay committee will:

- **Staff Pay Decisions** – Apply the school's Pay Policy to determine pay progression for teaching and support staff, based on appraisal outcomes and evidence.
- **Headteacher Pay** – Review and recommend pay progression for the Headteacher (and Executive Headteacher if applicable), usually with guidance from an external adviser.
- **Policy Oversight** – Ensure the Pay Policy is implemented fairly, consistently, and in line with statutory requirements and the school's appraisal policy.
- **Appeals Process** – Provide a fair system for staff to appeal pay decisions, with appeals heard by governors not involved in the original decision.
- **Monitoring & Reporting** – Report to the full Governing Board on pay decisions and financial implications, while maintaining confidentiality about individuals.
- **Equality & Compliance** – Monitor pay outcomes to ensure compliance with equal opportunities, equal pay legislation, and school budget constraints.

The Headteachers will

- familiarise themselves with this policy document and their role and responsibilities
- draft budget papers
- draft original and revised finance plans
- ensure that School Development Plan priorities are properly costed and linked to the school's budget and finance plan
- monitor the budget on a monthly basis
- oversee the day-to-day running of the school's financial administration and ensure that the County Council's timetable is adhered to (refer to Finance Handbook for more information)
- ensure that proper checks and controls are in place to cover day-to-day activities. (Advice on internal checks and controls should be sought from the Council's Corporate Audit and Risk Management Team)
- authorise transactions/processes within the school's financial system up to limits agreed by the governing body. This could include the release of purchase orders, etc. (see Appendix A)
- act as an authorised signatory for the purposes of signing cheques, certifying employee claims, etc.
- review reconciliations and returns on a regular basis and initial documents as evidence that such checks have been carried out
- monitor that the payroll report is run on a monthly basis, checks have been undertaken to ensure the data is correct, and initial documents as evidence that monitoring has taken place
- ensure that the school fund records are kept up to date
- ensure that the school fund's annual accounts are prepared, audited, approved by the full governing body and submitted to the LA in the timescale specified
- ensure VAT is correctly accounted for
- ensure CIS is correctly accounted for
- ensure an inventory is maintained
- ensure that any budgets that are delegated to senior staff or departments operate within a similar control regime, i.e., with regard to budget monitoring and reporting etc.
- ensure that assets with a value up to £20,000 are disposed of in accordance with the guidance set out in Section E of the Finance Handbook

The Federation Business Manager will:

- maintain the accounting records using the school's financial package
- carry out transactions/processes within the school's financial system up to limits agreed by the governing body (see Appendix A)
- ensure that the LA's timetable for completion of bank and other reconciliations is adhered to

- Contact the Schools Finance Helpdesk with concerns or queries regarding financial administration
- ensure that purchase orders are raised prior to ordering goods/services, wherever possible, to ensure compliance with the Council's No PO No Pay policy and to aid effective budget monitoring and management – An exemptions list is available to access on the LCC Connect area at www.lincolnshire.gov.uk
- ensure that payments are made to suppliers within LCC's payment policy, i.e. 28 days of the date of the invoice
- ensure that, where appropriate, claims for sickness absence scheme are made promptly and no later than 1 month after the relevant period
- ensure that the Employee Costs Reports and Gross to Net Report are run on a monthly basis, as close to 23rd of the month as possible, and that checks are undertaken to ensure the data is correct.
- ensure that income collected by an external company is recorded accurately on Business World and that regular reconciliations are undertaken.

Authorisation Limits for Purchase Orders (see Appendix A)

Federation Business Manager £1,000 (default £1,000)

Headteacher £500,000 (default £500,000)

Virement Limits

Virements of £25,000or more should be approved by resolution of the full Governing Body.

The following virement limits have been agreed:

Finance Committee £25,000

Headteacher £5,000

Federation Business Manager £1,000

Purchase Card Limits

This section should be included if the school has joined the Purchasing Card scheme. Each member of staff should be listed with their Single Transaction Limit and Monthly Credit Limit. The limits are:

Single Transaction Limit	Fortuna Staff Name	Athena Staff Name

Up to £1,000	Justyna Smith	Andy Smallcombe
Up to £500		Hazel Sisson
Up to £350	Catherine Ison	
Up to £250	Nikki Brown	June Infield
Up to £250	Ruth Mills	
Up to £50	Chantelle Taylor	

Monthly Credit Limit	Designation Fortuna	Monthly Credit Limit	Designation Athena
Up to £3,000	Justyna Smith	Up to £3,000	Hazel Sisson
Up to £1,000	Catherine Ison	Up to £2,000	Andy Smallcombe
Up to £250	Nikki Brown	Up to £500	June Infield
Up to £500	Ruth Mills		
Up to £200	Chantelle Taylor		

Fuel Cards

The school has three Fuel Cards, one for each for the minibuses and one for a school car. This enables any member of staff to fill up the vehicles when needed, without having to claim back cash or remember to ask for a VAT receipt as this is included in the invoice.

- There is no transaction limit on either card and any member of staff can use them.
- Each card has the registration number of the vehicle embossed on it and it can only be used for that particular vehicle.
- Cards can only be used to purchase fuel and cannot be used for any other purchases.
- Cards are kept in the office and only given to staff when fuel is required.
- Invoices for fuel are received by the School Business Manager and processed in the usual way.

Training

The governing body recognises the importance of financial training for governors and staff in helping them to fulfil their responsibilities in relation to the financial management of the school.

The training needs of all governors and staff will be reviewed each year. Appropriate budgetary provision will be made, where necessary, and governors and staff will be actively encouraged to undertake that training.

A programme of free training is available through the Local Authority.

Budget setting

The governing body recognises the importance of setting a detailed budget at the start of the year.

The Headteacher/ School Business Manager will draft a detailed budget for each line of income and expenditure. It is recommended that the budget is re-evaluated each year (as opposed to, say, incremental budgeting) for the Resources Committee's consideration.

The Headteacher will include options for increased spending, as set out in the School's Development Plan, and options for cost-cutting measures, where appropriate.

Budget monitoring

The governing body recognises the importance of regular budget monitoring in helping to detect accounting errors and identify, as early as possible, potential under and overspendings.

The Headteachers will monitor the budget on a monthly basis by reviewing reports from the school's financial system for:

- Errors
- Miscoding
- Large or unusual items
- Potential under-spending or overspending against budget and act promptly, where appropriate. Recommended reports can be found in the Finance Handbook.

Financial administration

The governing body recognises the importance of proper financial administration to safeguard against inaccuracies and out of date information being used to make erroneous financial decisions in the school.

The Headteachers will monitor the financial administration functions carried out by the School Business Manager, ensuring that:

- Accounting systems are kept up to date
- Sickness claims etc. are completed in accordance with the LA's published timetable
- appropriate action is taken where the LA advises the school that its day-to-day administration is not up-to-date
- where income is collected by an external company, that regular reconciliations are completed

Reporting

The governing body recognises the importance of receiving detailed, accurate and up-to-date financial information to enable it to oversee and control the financial position of the school.

The Headteachers/ School Business Manager will prepare budget-monitoring reports for consideration by the Resources Committee.

The reports will include for each line of income and expenditure

- Actual Expenditure to Date
- The original budget
- Changes to the budget (virements)
- Revised Budget (the current budget)
- Variance (Actuals – Revised Budget) - this is the difference between the current budget minus the actuals expenditure
- % Spent – this is the percentage of the budget that has been spent to date
- Forecast – this is the final forecasted expenditure and income for year
- Forecast Variance – this is the variance between the current budget and the forecast to give the forecasted year end position

Financial planning

The governing body recognises the importance of financial planning beyond the current year.

The Headteachers/ School Business Manager will prepare a financial plan covering the next five years.

The plan will show the projected numbers on roll and the impact this has on the school's budget share, expenditure and carry forward.

The level of detail shown in the plan will include, as a minimum, the information set out in the County Council's financial planning spread sheet, which is available to schools each year, free of charge.

The plan will include contingency plans, setting out the school's proposals for dealing with variations including, in particular, changes in the projected number on roll.

The governing body will consider the impact that the medium-term finance plan may have upon staffing levels and develop outline plans and strategies for avoiding redundancy costs for future years.

Audit

The governing body recognises the importance of the County Council's audit regime in assessing the adequacy of the school's financial controls.

The governing body and Headteachers will ensure that auditors are given access to staff, all relevant records and property, as the auditors consider necessary.

The Headteachers will ensure that audit recommendations are implemented as soon as possible.

The Headteachers will familiarise themselves with the Financial Procedures and Finance Handbook, which give guidance on best practice, internal controls and statutory requirements.

School Fund

The school fund is entirely separate from the budget share and other school grants.

Financial transactions of the school fund are subject to the same level of scrutiny as the budget share.

Only income unconnected with the budget share is paid into the school fund.

Funds are audited by independent auditor on a yearly basis and the findings presented to Governors.

Each school fund cheque is to be signed by an authorised signatory.

School Business Manager will endeavour to bank any income at least once a term.

Bank reconciliation will be carried out as and when required.

Annual timetable

The governing body recognises the importance of planning its financial management work throughout the year.

Review

The governing body recognises the importance of keeping its Finance Policy up-to-date and will review the policy on an annual basis.

APPENDIX A

Authorisation Limits

The authorisation limits relate to processing and release of purchase orders and invoices. The Finance Policy should clearly state what authorisation levels have been delegated to individuals to process or release purchase orders or invoices.

On BW-On, the default purchase order release limit for budget spenders is £1,000. It is possible for this to be increased at the discretion of the Governing Body. For the Headteachers the default limit is £500,000.

APPENDIX B - Income Collected by External Company Policy
Both Athena and Fortna School use Parent Pay to collect income for Unifrom and voluntary contributions for trips. Parent pay is accessed via ReachMoreParents App, as school is moving to cashless operation for security and transparency. The income is paid over to the school on a weekly basis and the reconciliations are completed weekly by the school's finance assistants.

APPENDIX C
Updated Procurement card guidance attached

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Corporate Procurement Card Policy

January 2023

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Corporate Procurement Card Policy

This document outlines the Councils' policy and process for the effective and correct use of corporate procurement cards. It also details instances where the use is not appropriate. All cards must be used in line with the Council's Financial Procedures and this policy which frames the operational remit of card usage.

1. Who does this policy apply to?

1.1 The policy outlines the roles and responsibilities for those deemed as requiring a corporate procurement card, Spend Managers whose spend is incurred on a card, staff administering the scheme and the Business Support procurement card team, who manage the contract.

2. What is a Procurement Card?

2.1 A corporate procurement card is a payment method, similar to a personal credit card, where spend is incurred and paid at the end of the period via bank transfer.

2.2 A corporate procurement card should only be used for making business purchases that cannot be made on BW.

2.3 A corporate procurement card must not be used for personal purchases (in line with the Code of Conduct).

2.4 A corporate procurement card must not be used by anyone other than the named officer.

2.5 Using the procurement card simplifies the purchasing process, reduces internal costs and results in lower imprest and petty cash claims.

2.6 It is unacceptable for any corporate procurement card holder to use their own, a relatives or a friends personal loyalty card, while making purchases on behalf of the Council or service users (in line with the Code of Conduct).

2.7 The use of a corporate procurement card is subject to the normal Audit and Financial protocols.

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3. When should they be used?

3.1 There are limited instances where payment by corporate procurement credit card is a necessary operational need. These include:

Corporate	Schools
• For purchases that are under the value of £1000, where the supplier is unable to provide the service through the normal requisitioning process on Business World.	• For purchases that are under the value of £1000, where the supplier is unable to provide the service through the normal requisitioning process on Business World.
• Purchases on the internet such as Amazon.	• Purchases on the internet such as Amazon.
• TV licences.	• TV licences.
• Purchases in shops such as clothes for a child.	• Train fares, hotel and conference fees.
• Train fares, hotel and conference fees.	• Long Service Awards - any gifts must be purchased within 12 months of the award date.
• Long Service Awards - any gifts must be purchased within 12 months of the award date.	• Refreshments and food for pupils (including for breakfast and after school clubs).
• Refreshments and sundries for clients at Business Centres as well as Children's Centres/ Children's Homes.	• Pupil trips including travel arrangements.
	• Emergency clothing for pupils.
	• Postage costs.
	• Ad hoc purchases for caretakers such as fuel.
	• Ad hoc cleaning products / services

3.2 It should be noted that regular "urgent" payments due to lack of planning are not considered acceptable use.

4. When should they not be used?

4.1 The following are examples of where it is **not** appropriate to use a procurement card to purchase items for both corporate and schools:

- Gift cards and vouchers; as they are deemed a "payment in kind" and can result in tax implications.
- To pay invoices or statements which are on BW including utility bills.
- Staff lunches, celebrations or Christmas lunches, Gifts for staff or for special occasions.

- Meals, snacks, refreshments or food in general, other than what is permitted as outlined above.
- Alcohol, tobacco products, legal/recreational drugs and cash withdrawals are strictly prohibited.
- Car parking fees and fuel costs. These should be claimed back via payroll as travel and subsistence to obtain Line Manager Approval.

5. Card holders role and responsibilities

5.1 All corporate procurement card holders must read and understand the requirements under this Policy and refresh annually.

5.2 Card holders are responsible for any spend on the card and **only** the card holder must use their card.

5.3 The card holder should keep their card and PIN number secure and not allow anyone else to access it and use it. If the card holder allows colleagues to use their card this will be considered a disciplinary matter and it could give rise to fraud.

5.4 Procurement cards should not be used for personal use. Card holders must only use the card in accordance with the Council's financial procedures.

5.5 Card holders must obtain a valid VAT receipt each time they make a purchase on the card and complete a transaction log and cross-reference the two, for audit purposes.

5.6 All VAT receipts should be sent to the card administrator to upload to BW, along with the transaction log.

5.7 Card holders must not purchase goods or services using their card where other arrangements or specific contracts are in place e.g. ESPO for stationery as doing so will contradict any arrangements already in place.

5.8 The card must be surrendered immediately on termination of employment and a cancellation form completed (or if the card holder moves to other duties where use of the card is not necessary).

5.9 The Council regularly receives Freedom of Information requests regarding spend, it is the card holders responsibility to ensure that all information is available, and meets the criteria of Council spend.

5.10 The Council requires Spend Managers to undertake regular projection exercises to establish likely spends; it is therefore integral to that process that corporate procurement card transactions are accounted for as part of this process. It is the responsibility of the card holder to furnish these managers with appropriate transactional information.

5.11 Card holders should not have reciprocal arrangements for administrating each other's cards ensuring transparency when purchasing and coding.

6. Card Administrators role and responsibilities

6.1 All administrators must read and understand the requirements under this Policy annually.

6.2 It is the administrator's responsibility to code the card holder's transactions on BW and file the transaction logs/VAT receipts. These will be coded, ideally, within two weeks of the administrator receiving the information and all receipts uploaded to the relevant transactions as part of the mandatory process.

6.3 If there is a requirement to change the administrator of a card, an amendment form must be completed. The previous administrator must hand over all filed documents such as transaction logs and receipts.

6.4 Card Administrators should not be of a Management or Budget Manager level. This helps maintain an important financial control, i.e. segregation of duties.

7. Suspected Fraudulent Transaction

7.1 If the card holder has not made their administrator aware of a transaction, which has appeared in the task list on BW, the administrator may suspect this to be fraudulent. The administrator must contact the card holder to discuss the transaction and clarify whether it is genuine.

7.2 If it is determined to be fraudulent, the card holder is required to contact Lloyds Bank for appropriate support and to notify the Business Support procurement card team.

7.3 A block will be placed on the card whilst investigation is undertaken.

8. Monthly Statements

8.1 Monthly statements should be checked within two weeks and retained by procurement card holders and are available online.

8.2 The Council also receives an electronic composite statement. This undergoes scrutiny to ensure compliance against the Financial Regulations.

8.3 Where non-compliance is identified, the procurement card team will contact the card holder or the administrator to understand if an exemption has been applied.

8.4 Where the procurement card team has concerns, they will escalate the details directly to the Councils Counter Fraud Team for further investigation.

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9. Card Limits and card management

9.1 Card holders can request temporary or permanent increases to their procurement card limits, via an amendment form.

9.2 The amendment form must be authorised by the appropriate Line Manager or for schools the Head Teacher or Chair of Governors.

9.3 The single transaction limit amount should not, in most cases, exceed £1,000. Any purchases above this should be processed through BW.

9.4 The Pcard team will manage inactivity of cards not used for at least 12 months and they will be closed accordingly (with the exception of the emergency planning team).

10. Changes to Holder/ Administrators details

10.1 As required within the Councils Financial Regulations, any changes to the card holder or administrator details require immediate action and the procurement card team should be informed.

10.2 Changes to cost codes, addresses and details as provided within the original application form should be changed by completing the correct form including management authorisation and sent to the procurement card team immediately.

11. Card holder and Administrator Sanctions

11.1 Should a cardholder be identified as using their card inappropriately and not in line with the requirements of this policy, a formal warning will be given. Where abuse or fraudulent transactions are suspected, we shall refer to the Counter Fraud and Investigation Team in accordance with the Council's Counter Fraud Policy.

11.2 Any administrator found to be processing claims which do not meet the requirements of this policy will have their administration status removed.

11.3 Failure to comply with this policy will result in the card being withdrawn and may lead to disciplinary action.

12. Important info for Procurement Card Team

Procurementcard@lincolnshire.gov.uk
Tel: 01522 554231

For Corporate and LFR – Pcard forms:
Pcard forms

For Schools – Pcard forms - please see Perspective Lite:
LA Documents > HR & Employment Policy > 11 Schools Finance > 11-16 Procurement Cards, Guidance and Forms.

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