



George Stephenson High School

# **Finance Committee - Terms of Reference**

2025-26





# Policy Compliance Governance Page

Governance	Finance Committee	
Policy Officer	Headteacher	
Policy Suite	Finance	
Policy Version	V4	
Review Date	September 2025 (Annual Cycle)	
Next Review Date	September 2026	
Statutory Document/Policy	Yes	
Uploaded to School Website and Date	Yes	TBC

## Version History Log

1	NEW	Academic Year 2020-21
2	No Chnages	March 2024
3	Financial Year Planner updated	September 2024
4	<p>Under <b>Financial Controls &amp; Best Practice</b></p> <p>The following is addeded:</p> <p>High-value cost centres identified are scrutinised at each committee meeting.</p> <p>A draft agenda is now incorporated into the annual planner for each meeting; however, please note that agenda items remain subject to change as needed.</p>	September 2025





## Finance Committee - Terms of Reference (TOR) 2025-26

### General Terms

- Act on matters delegated by the full Governing Body.
- Liaise and consult with other committees where necessary to ensure effective governance.
- Contribute actively to the School Improvement Plan.
- Consider safeguarding and equalities implications in all committee functions and decisions.

### Membership

- The committee shall consist of **at least three governors**, including the Headteacher.
- The Chair of the Governing Body may attend and vote as a member **ex-officio** (by virtue of their office).

### Quorum

- A quorum shall be **three governors**.

### Conflict of Interest & Confidentiality

- Any employee must withdraw from discussions regarding their own pay or performance, or that of another staff member.
- All members must maintain confidentiality on sensitive or personal information discussed within meetings.

### Meetings

- The committee will meet **twice in Term 1, once in Term 2, and twice in Term 3**. Additional meetings may be convened as necessary.
- The Governing Body may determine the frequency of meetings or delegate this authority to the committee.
- Confidential information relating to named individuals or other sensitive matters shall not be disclosed or made available for inspection.
- In the absence of the Chair, the committee shall elect an acting Chair for the meeting (excluding the Headteacher).
- The committee shall elect a clerk for each meeting from among the members (excluding the Headteacher).
- Draft minutes will be circulated with the agenda for the next full Governing Body meeting and presented by the Chair or a nominated committee member.



- Decisions shall be made by a majority of votes from committee members present and voting. A vote cannot proceed unless the majority present are governors.

### Financial Strategy & Budgeting

- Establish and maintain a **three-year financial strategy**, aligned with the School Development Plan and approved by the full Governing Body.
- Consult with the Headteacher and review the previous year's financial out-turn figures to draft the formal budget plan by **31st March** each year.
- Where delegated, submit the final budget plan to the Local Authority (LA) by **31st May** on behalf of the Governing Body.
- Ensure the school budget is:
  - Realistic and affordable based on available resources and cash flow;
  - Reflective of the School Development Plan;
  - Consistent with longer-term financial plans (including deficit recovery or future savings).

### Pupil Premium & SEND Funding

- Review and understand the allocation and use of Pupil Premium Grants within the overall school budget.
- Hold the school accountable for Pupil Premium and SEND expenditure and related outcomes, including a formal annual review at the September Strategy Committee meeting.

### Budget Monitoring & Staffing

- Periodically review the budget, reporting any changes, anomalies, or updates on income and expenditure to the full Governing Body.
- Maintain oversight of the school's staffing structure and recommend salary limits within the approved budget.
- Manage virements between budget headings during the year, within delegation limits set by the Governing Body.

### Financial Controls & Best Practice

- Comply with the Schools Financial Value Standard (SFVS) and financial good practice requirements.
- Agree delegated financial authority to the Headteacher for day-to-day management.



- Ensure procurement and contract management adhere to the principles of Best Value, including competitive tendering where applicable.
- High-value cost centres identified are scrutinised at each committee meeting.
- Require staff to declare pecuniary interests related to contracts or procurements to avoid conflicts.

### **Funding & External Income**

- Maximise opportunities for external funding, grants, sponsorships, and income generation, ensuring timely applications and compliance.
- Monitor all voluntary funds held on behalf of the Governing Body.

### **Health & Safety and Charging Policies**

- Promote appropriate prioritisation of Health and Safety issues within financial planning.
- Advise the Governing Body on charging policies, including lettings, financial support for educational visits, and expense reimbursement.

### **Policies, Audits & Governance**

- Review the Finance Policy annually or as required.
- Authorise signatories for the school bank accounts.
- Approve expense items exceeding £50.
- Monitor the School Fund Account.
- Approve audit arrangements for non-LA funds.
- Submit a Best Value Statement to Local Authority Finance alongside the budget plan.
- Complete the annual Statement of Internal Control (SIC).
- Maintain an up-to-date Register of Business and Pecuniary Interests for governors.
- Receive reports on extended services and ensure appropriate budget management.

**Review of Terms:** Review these Terms of Reference annually and recommend changes to the full Governing Body for approval.



## FINANCIAL YEAR PLANNER

### Autumn (2 meetings)

Review budget monitoring, virements and year end forecast  
 Authorise expenditure as per scheme of delegation  
 Review ALL Finance Policies Suite:  
 Financial Forecast of the School Development Plan  
 Financial Forecast of the School Asset and Capital Plan  
 Update register of interests – pecuniary interest forms (e-forms)  
 Approve Financial procedures, controls  
 Best Value Statement approved and submitted to LA  
 SFVS review by Governors (to be submitted to LA by 31 January)  
 Financial Audits: LA and SRMA Action Plans – Review Recommendations (Management Accounts and Staffing Structure agenda items)

#### Agenda 1

1. Apologies for Absence
2. Declaration of Pecuniary/Business Interests
3. Minutes of Meeting
4. Matters Arising
5. Terms of Reference and Annual Planner
6. Controls Assurance Statement (**submitted to LA in Term 1**)
5. Staffing Structure 2025–26 (Version 1)
6. Financial Forecast of the School Asset and Capital Plan
7. Finance: Management Accounts 2025–26 (ISSUE 3)
  - Tab: Bank Balances (School Budget and School Fund)
  - Tab: Allocations to Bank Account
  - Tab: Dashboard
  - Tab: 3-Year Budget Plan (2025–26 to 2027–28)
  - Tab: Summary 2025–26
  - Tab: Pupil Numbers Projections
  - Tab: 2-Year Comparative Income
  - Tab: Headcount as % of Income
  - Tab: Interventions Cost Centre
  - Tab: Catering Provision Cost Centre
  - Tab: Agency Cost Centre
  - Tab: Examinations Cost Centre
  - Tab: Electricity Costs
  - Tab: Water and Gas Costs
- Financial Controls:
  - Tab: Staff Expenses (Year to Date)
  - Tab: Invoices Over £10k (Year to Date)
8. Finance Policies Suite – Tracker
9. Date of Next Meeting –
10. Any Other Business (AOB)

#### Agenda 2

1. Apologies for Absence
2. Declaration of Pecuniary/Business Interests
3. Minutes of Meeting
4. Matters Arising
5. SFVS (**submitted to LA 31 January 2026**)
6. Staffing Structure 2025–26 (Version 2)
7. Financial Forecast of the School Development Plan
8. Finance: Management Accounts 2025–26 (ISSUE 4)
  - Tab: Bank Balances (School Budget and School Fund)
  - Tab: Allocations to Bank Account
  - Tab: Dashboard
  - Tab: BM1 (Budget Monitoring 1)
  - Tab: 3-Year Budget Plan (2025–26 to 2027–28)
  - Tab: Summary 2025–26
  - Tab: Pupil Numbers Projections
  - Tab: 2-Year Comparative Income
  - Tab: Headcount as % of Income
  - Tab: Interventions Cost Centre
  - Tab: Catering Provision Cost Centre
  - Tab: Agency Cost Centre
  - Tab (NEW): Examinations Cost Centre
  - Tab: Electricity Costs
  - Tab: Water and Gas Costs
- Financial Controls:
  - Tab: Staff Expenses (Year to Date)
  - Tab: Invoices Over £10k (Year to Date)
9. Contracts Management Tracker
10. Date of Next Meeting –
11. Any Other Business (AOB)





### Spring (1 meeting)

Review budget monitoring, virements and year end forecast  
Review progress on School Development Plan, School Asset Plan and Capital Plan  
Authorise expenditure as per scheme of delegation  
(Provisional) budget approval  
DRAFT staffing structure for 2026-27  
Ensure School Fund audit is arranged  
Benchmarking reports\*  
Review changes to and approve/adopt financial regulations\*  
Review Service Level Agreements/Contracts (for inclusion in budget)  
Update and approve statement of roles and responsibilities/ scheme of delegation and financial terms of reference\*

### **Agenda 3**

1. Apologies for Absence
2. Declaration of Pecuniary/Business Interests
3. Minutes of Meeting
4. Matters Arising
5. Staffing Structure 2025–26 (Version 3) with draft Staffing Structured 2026-27
6. Finance: Management Accounts 2025–26 (ISSUE 5)
  - Tab: Bank Balances (School Budget and School Fund)
  - Tab: Allocations to Bank Account
  - Tab: Dashboard
  - Tab: BM1 (Budget Monitoring 1)
  - Tab: BM2 (Budget Monitoring 2)
  - Tab: Summary 2025–26
  - Tab: Pupil Numbers Projections
  - Tab: 2-Year Comparative Income
  - Tab: Headcount as % of Income
  - Tab: Interventions Cost Centre
  - Tab: Catering Provision Cost Centre
  - Tab: Agency Cost Centre
  - Tab (NEW): Examinations Cost Centre
  - Tab: Electricity Costs
  - Tab: Water and Gas Costs
- Financial Controls:
  - Tab: Staff Expenses (Year to Date)
  - Tab: Invoices Over £10k (Year to Date)
7. **Proposed 3-Year Budget Plan (2026-27, 2027-28, 2028-29)**
8. Contracts Management Tracker
9. Financial Forecast of the School Asset and Capital Plan 26-27
10. Benchmarking Reports
11. Date of Next Meeting –
12. Any Other Business (AOB)



### Summer (2 meetings)

Review budget monitoring, virements and year end forecast  
Review progress on School Development Plan, School Asset Plan and Capital Plan  
Authorise expenditure as per scheme of delegation  
Approve and submit budget – 31<sup>st</sup> May  
3 Year Financial Plan approved and submitted 31<sup>st</sup> May  
Review end of year figures 25-26  
School Bank Accounts and School Reserves  
Planned use of unspent balances agreed and submitted to LA 31<sup>st</sup> May  
Review staffing structure for incoming academic year for governors' approval  
Finance Suite Policies Review for 2026-27

#### Agenda 4

1. Apologies for Absence
2. Declaration of Pecuniary/Business Interests
3. Minutes of Meeting
4. Matters Arising
5. Staffing Structure 2025–26 (Version 4)
6. Staffing structure 2026-27 (Version 1)
7. Financial Outturn 2025-26
- 8 3-Year Budget Plan (26-29)  
**(Submission to LA by 31 May 2026)**
9. Finance: Management Accounts 2026–27  
(ISSUE 1) ***Tabs categories to be identified***
10. Contracts Management Tracker
- 11 Date of Next Meeting –
12. Any Other Business (AOB)

#### Agenda 5

1. Apologies for Absence
2. Declaration of Pecuniary/Business Interests
3. Minutes of Meeting
4. Matters Arising
5. Staffing structure 2026-27 (Version 2)
6. Financial Outturn 2025-26
7. School Bank Accounts and Reserves
8. 3-Year Budget Plan (26-29)
9. Finance: Management Accounts 2026–27  
(ISSUE 2) ***Tabs categories to be identified***
10. Contracts Management Tracker
11. Finance Suite Policies Tracker
12. Date of Next Meeting –
13. Any Other Business (AOB)

#### Important Information:

\* These items may be dealt with in a different term, as best suits the school

\*\* In conjunction with Resources Committee

The Governing Body have an Annual Planner document with terms which may differ from the above template. Governors to refer to this document in conjunction with this document.