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Wouldham All Saints Church of England Primary School Finance Policy

1. Introduction

The Governors of Wouldham All Saints Church of England Primary School are committed to providing sound financial controls, to achieving value for money and to being worthy custodians of public money. To achieve these aims the Headteacher and the Governing Body have drawn up this Finance Policy to provide the guiding principles for which all Governors and staff will operate within.

This Policy has been drawn up in accordance with the Local Authority's (LA) Scheme for Financing Schools.

2. Principles

Our Finance Policy adheres to the following principles;

- The responsibilities of the Governing Body, its committees, the Headteacher and staff will be clearly defined, and limits of delegated authority established, where applicable.

The Governing Body is responsible for taking steps to ensure that expenditure reflects best value principles. This is done by;

- Using both performance data and financial benchmarking to **compare** to similar schools locally and nationally.
- Using the information gained to **challenge** performance and set new targets
- Using fair **competition** through quotations and tenders, ensuring resources and contracts for services are secured in the most economic, efficient and effective way
- **Consulting** parents on policy development and major changes in the use of resources

The school will establish sound internal financial controls, based on the LA's Financial Controls to ensure the reliability and accuracy of its financial transactions.

The budget will reflect the school's prioritised educational objectives through its links to the School Development/Improvement Plan, which indicates the resource implications of each priority.

The budget will be subject to effective monitoring, allowing the Governors, Headteacher and staff to maintain financial control in line with the Balance Control Mechanism by reviewing the current position and taking any remedial action necessary.

The school will be adequately insured against exposure to risk.

The school will ensure that:

- The Budget Share is spent for the purpose of the school only
- Purchasing arrangements achieve value for money
- There are sound procedures for the administration of personnel matters
- There are sound procedures for the administration of payroll matters
- Stocks, stores and assets are recorded and adequately safeguarded against loss or theft
- All income due is identified and all collections receipted, recorded and banked promptly
- The operation of the bank account and the reconciliation of bank balances with the accounting records are properly controlled
- The use of a NatWest **onecard** is strictly controlled
- The School Voluntary Fund and any other non-public funds are administered as rigorously as public funds
- Any suspected irregularity will be reported immediately to the LA's Head of Internal Audit
- The school will adhere to current GDPR and Data Protection legislation
- Appropriate training in financial administration will be given to enable staff cover at all times

3. Putting Policy into Practice

3.1 Delegated Authority

The Full Governing Body has overall responsibility for the management of all of the school's finances covering the revenue budget, other budgets delegated or devolved by the LA and other funds (e.g. the School Voluntary Fund).

The Full Governing Body will ensure the annual detailed report of the Schools Financial Value Standard (SFVS) is provided to them and the chair of governors will sign the completed form prior to sending a copy to the Local Authority.

The School Management Group is delegated responsibility by the Full Governing Body for the following aspects of financial management;

- Evaluate and recommend the three-year budget plan, which shows clear links to the School Development/Improvement Plan, for approval by the Full Governing Body
- To review the Finance Policy and agree levels of delegation for approval by the Full Governing Body
- To review the Charges and Remissions Policy for approval by the Full Governing Body
- To review a Pay Policy for approval by the Full Governing Body
- To make decisions in respect of service agreements and insurance
- To advise the Full Governing Body of any consultations to change the LA Scheme for Financing Schools, to allow the school to respond to any consultation
- To report monitoring and the outturn position to the Full Governing Body, highlighting any significant variances
- Evaluate any proposed virements in excess of £8000
- Evaluate and report on Tenders for Contract Services to the Full Governing Body
- Keeping in-school financial procedures under review
- Benchmark the school's financial performance and report to the Full Governing Body

The Headteacher is responsible for implementing the decisions of the Governing Body and for the operational management of the school. The Headteacher has authority to delegate the general administration of financial procedures to other appropriate staff in consultation with the School Management Group.

3.2 Internal Financial Controls

The internal financial controls follow the financial controls set out in the LA's Scheme for Financing Schools.

3.3 Financial Links to the School Improvement Plan

The School Development/Improvement Plan has sufficient scope and depth of the financial implications, and it is reflected in the school's three-year budget plan.

3.4 Monitoring and Virements

The school recognises that the regular monitoring of income and expenditure against the agreed budget is central to effective financial management. To this end, the Headteacher carries out a monthly internal monitoring procedure, copied to the Chair of the School Management Group. A monitoring report is taken to all meetings of the School Management Group which reports, if required, to the Full Governing Body. Monitoring reports are submitted to the LA in accordance with its timetable. Governors should ensure their meetings are timed to see all monitoring submitted to the LA either prior to submission or soon after. This will ensure they have an up-to-date position of the school's finances.

On occasions, virements may need to be carried out. Virements to the approved budget are minuted appropriately and require the following authorisation:

Virements up to £8,000 - The Headteacher, reported to the School Management Group

Virements from £8,000 to £15,000 – The School Management Group

Virements over £15,000 – The Full Governing Body

3.5 Insurance

Insurance is held through the Kent County Council (KCC) 'Safe Hands' Scheme with relevant cover, as identified by the schedule received from the LA's Insurance section.

3.6 Purchasing

All budgets are currently held by the headteacher.

From April 2024 budgets will be delegated to named key stage co-ordinators/subject leaders/class teachers.

Where there are Budget holders a 'needs budget' is prepared and submitted for their area of responsibility, for approval by the Headteacher in line with the priority needs of the school and the School Development/Improvement Plan. A list of authorised signatories, containing name, position, budget held and value of budget, will be held in school as an appendix to this Finance policy.

All staff adhere to the KCC procedures for purchasing items, detailed in financial control no7, ensuring regard to value for money at all times. The Budget Holder or the authorised delegated deputy is responsible for authorising all order requests and invoices prior to payment.

Where the school purchases larger items, we adhere to the procedure for Spending the Council's Money as laid down in the Scheme for Financing Schools (<http://www.kelsi.org.uk/policies-and-guidance/finance-guidance-and-policies/scheme-for-financing-schools>)

in summary:

- For orders in excess of £8,000, but less than £50,000, three written quotations are obtained and submitted to the School Management Group for approval and report to the Full Governing Body
- For orders of £50,000 or over, no fewer than three competitive tenders are sought and submitted to the Full Governing Body for approval

As a matter of good practice, KCC recommend all orders under £8,000 have one written quotation

All of the above will be minuted at the appropriate committee/Governing Body meeting to ensure that the School is seen to be obtaining value for money at all times.

The school does not enter into any Hire Purchase agreements, Finance agreements or Finance Leases as this constitutes borrowing which is not permitted.

Staff must not use their own cash, personal debit or credit cards for the purchase of any items for the school.

Personal Reward cards must not be used in conjunction with any school purchase.

3.7 Personnel Matters

At the start of every financial year the Headteacher uses a financial planning tool to calculate the salary costs of all members of staff, including increments, where applicable. These details are used by the School Management Group for incorporation into the school budget planning process.

The School Management Group undertakes an annual review of the Headteacher's salary, and recommends enhancements, if applicable, to the Full Governing Body for approval.

The Headteacher undertakes an annual review of all other staff, in accordance with the Governors' Pay Policy and reports to the Full Governing Body.

Details of all salaries are recorded as a confidential item in the minutes.

3.8 Payroll Matters

Our payroll provider is Cantium SPS, who provides payroll services to the specification laid down by the LA. The Headteacher signs off the monthly payroll reports once they have been checked for accuracy,

3.9 Safeguard of Stocks, Stores and Assets

All staff are responsible for the security of school assets. School assets are recorded on a general asset register maintained and updated by the school office.

Items of value are held in a locked cupboard/cabinet, wherever possible and all items are visibly security marked to deter theft.

Where assets are to be written off and disposed of, the School Management Group agrees this on behalf of the Full Governing Body and the agreement is minuted.

Where school assets are loaned to staff or pupils, a loans book is completed and signed when borrowing the item and again when the item is returned.

3.10 Income

The Lettings Policy is reviewed and approved by the Governing Body.

Where debts are required to be written off, after every effort has been made by the Headteacher and Governors to recoup the monies, the Full Governing Body will approve up to £1,000. Approval to write off debts over £1,000 is required in writing from the LA Finance Business Partner CYPE. (schoolfunding@kent.gov.uk)

Since the Authority does not insure for cash held on the school premises and we do not receive cash payments, we have agreed any cash held in school must be stored in the school safe and deposited into the bank expeditiously at all times.

3.11 The School Bank Account

The school operates its school bank account(s) in accordance with the regulations in the LA's Scheme for Financing Schools. The school operates only one current account for the administration of KCC official funds.

Bank account signatories are updated immediately there is a change in staffing and details are copied to Schools Financial Services, as a matter of course.

Suppliers and Invoices are paid via BACS ensuring it adheres to all financial controls within the Scheme for Financing Schools

Bank statements are printed out on at least a monthly basis and reconciled in accordance with LA guidelines. The Headteacher or designated deputy signs and dates the bank statement as soon as possible after the reconciliation has been checked.

3.12 Petty Cash

No Petty Cash is held in school.

3.13 NatWest onecard (state if no cards held)

Approved **onecard/s** are held as an additional method of payment in accordance with the LA guidance. (refer to *Financial Control no7*)

Please list:

Cardholder	Position	Single transaction limit	Monthly card limit
Victoria Baldwin	Headteacher	£600	£2000
Tristan Wyatt-Hughes	Deputy Headteacher	£400	£2000
Terri Greenleaf	Catering Manager	£400	£2000
Daryl Russell	Office Manager	£400	£2000
Michael Atkins	Caretaker	£400	£2000
Michaela Platt	Breakfast Club Manager	£200	£2000

3.14 The Voluntary Fund (state if not applicable)

In addition to the LA's official funds, the School also operates a school Voluntary Fund, adopting the procedures in the LA's School Voluntary Fund Guidance. We recognise that our Voluntary Fund is an additional source of income and that the controls over its use need to be as rigorous as for the administration of the school's delegated budget. We have appointed someone who is independent of the school to audit the Voluntary Fund accounts on an annual basis, and within three months of the fund year ending. All monies for the Voluntary Fund are held securely and separately from those of the school budget.

3.15 Fraud and Irregularities

All schools must have a robust system of controls to safeguard themselves against fraudulent or improper use of public money and assets. Schools must ensure they have a current Anti-Fraud, Bribery and Corruption Policy in place and that staff are made aware of this and the LA's Whistleblowing arrangements and to whom they should report concerns. This information must be communicated to all staff and also be included in induction for new school staff and governors.

3.16 Data Protection

The School (as Data Controller) adheres to the GDPR and the Data Protection Act 2018 including paying a data protection fee to the Information Commissioners Office (ICO). The School pays £35 as determined by the ICO.

3.17 Information Systems

A password protection procedure is adhered to as laid down in the staff handbook. Systems are backed up regularly and the backups held securely, virus protection is in place and is updated regularly and the school has a disaster recovery plan for the administration network.

3.18 Financial Administration

We aim to have two members of staff trained in the use of the finance software and financial administration procedures, to cover any staff absence. We also purchase a support contract through the Schools Financial Services which is reviewed on an annual basis, allowing us the option to purchase additional support, if required.

Signed Date

(Chair of Governors)

Signed Date

(Headteacher)

Date: 03 November 2023