

# New Ash Green Primary School Finance Policy

## 1. Introduction

The Governors of New Ash Green 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

The School's Finance Policy will adhere to the following principles:

- The responsibilities of the Governing Body, its teams, 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 has established 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 Goals, 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
- 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** of New Ash Green Primary School 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.

The **Full Governing Body** of New Ash Green Primary School will ensure the annual detailed report of the Schools Financial Value Standard (SFVS) is provided to them by the Finance Monitoring Governors and the Chair of Governors will sign the completed form prior to sending a copy to the Local Authority.

The **Finance Monitoring Governors** are 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 Goals, 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 in relation to Finance. The detail of the Pay Policy would be covered by the Pay Committee.
- 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
- 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 delegated authority to Kent County Council Service and the Financial Assistant for the administration of the school accounts.

### **3.2 Internal Financial Controls**

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

### **3.3 Financial Links to the School Goals**

The School Goals have sufficient scope and depth of financial implications and they are reflected in the school's three year budget plan.

### **3.4 Monitoring and Virements**

New Ash Green Primary 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 Finance Monitoring Governors. A monitoring report is taken to all meetings of the Finance Monitoring Governors 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 £5,000 - The Headteacher, reported to the Finance Monitoring Governors

Virements from £5,001 up to £10,000 – Finance Monitoring Governors

Virements over £10,000 – The Full Governing Body

### **3.5 Insurance**

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

New Ash Green Primary School does not purchase Money Cover through the Safe Hands scheme and therefore recognises that cash is not insured.

### **3.6 Purchasing**

At New Ash Green Primary School, budgets are delegated to key stage co-ordinators and class teachers. Budget holders prepare a 'needs budget' for their area of responsibility, which is approved by the Headteacher in line with the priority needs of the school and the School Goals.

All staff adhere to the school procedures for purchasing items, as laid down in the School's Staff Handbook, paying regard to value for money at all times. The Headteacher or designated deputy authorises all orders 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 Finance Monitoring Governors for evaluation 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

All of the above will be minuted at the appropriate team/Full 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.**

### **3.7 Personnel Matters**

At New Ash Green Primary School, 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 Finance Monitoring Governors for incorporation into the school budget planning process.

The Pay Committee 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**

The payroll provider at New Ash Green Primary School is SPS Intepay, who provides payroll services to the specification laid down by the LA. The Headteacher, or Deputy Headteacher, signs off the monthly payroll reports once they have been checked for accuracy.

### **3.9 Safeguard of Stocks, Stores and Assets**

All staff at New Ash Green Primary School are responsible for the security of school assets. Co-ordinators, subject managers and class teachers safeguard their resources. The school assets are recorded on a general asset register (worth over £200), maintained and updated by the Site Manager which are checked on at least an annual basis and certified by the Headteacher.

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 written off and disposed of, the Finance Monitoring Governors agree 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**

At New Ash Green Primary School, the Lettings Policy is reviewed and approved by the Finance Monitoring Governors.

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.

We have agreed a level of cash to be held in school at any one time as £200. Cash will be receipted, recorded and banked promptly at all times.

### 3.11 The School Bank Account

New Ash Green Primary 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 the Schools Financial Services, as a matter of course.

New Ash Green Primary School will pay suppliers/invoices via online banking/BACS ensuring it adheres to all financial controls within the Scheme for Financing Schools.

Bank statements at New Ash Green Primary School are received on at least a monthly basis and reconciled in accordance with LA guidelines. The Headteacher or Deputy Headteacher signs and dates the bank statement as soon as possible after reconciliation has been checked.

### 3.12 Petty Cash

Not applicable.

### 3.13 NatWest Onecard

New Ash Green Primary School operates two approved cards in accordance with the LA guidance.

*Please list:*

Cardholder and/or Position	Single transaction limit	Monthly card limit
Caroline Cain - Headteacher	£5000.00	£5000.00
Lindy Mayo Finance Officer	£5000.00	£5000.00

**Personal credit / Debit cards or cash will not be used for the purchase of items for the school.**

### 3.14 Irregularities

All staff at New Ash Green Primary School are aware of the LA's Whistleblowing arrangements and to whom they should report concerns. These details are available to staff in their staff handbook.

### **3.15 Data Protection**

New Ash Green Primary 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). New Ash Green pays £55 as determined by the ICO.

### **3.16 Information Systems**

New Ash Green Primary School has a password protection procedure. 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.

### **3.17 Financial Administration**

At New Ash Green Primary School, two members of staff are trained in the use of the finance software and financial administration procedures, in event of staff absence. The school also purchases 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)

# Appendix A

All order requests/invoice authorisation must be signed by the budget holder the headteacher or the Deputy Headteacher. A list of authorised signatories, containing name, position, budget held, and value of budget should be included as an appendix to the schools Finance Policy. The school office should hold a copy that includes a specimen signature for each budget holder.

This document should be updated annually as part of the budget setting process.

## Budget holders for Year 2023 2024

Name	Position	Delegated Budget Held (indicate if person is the authorised deputy)	Budget Value	Specimen signature*
Caroline Cain	Headteacher	All Budgets	N/A	
Helen Davin	Deputy Headteacher	All Budgets	N/A	

Agreed by:

Headteacher.....Date .....

Chair of Governors..... Date.....