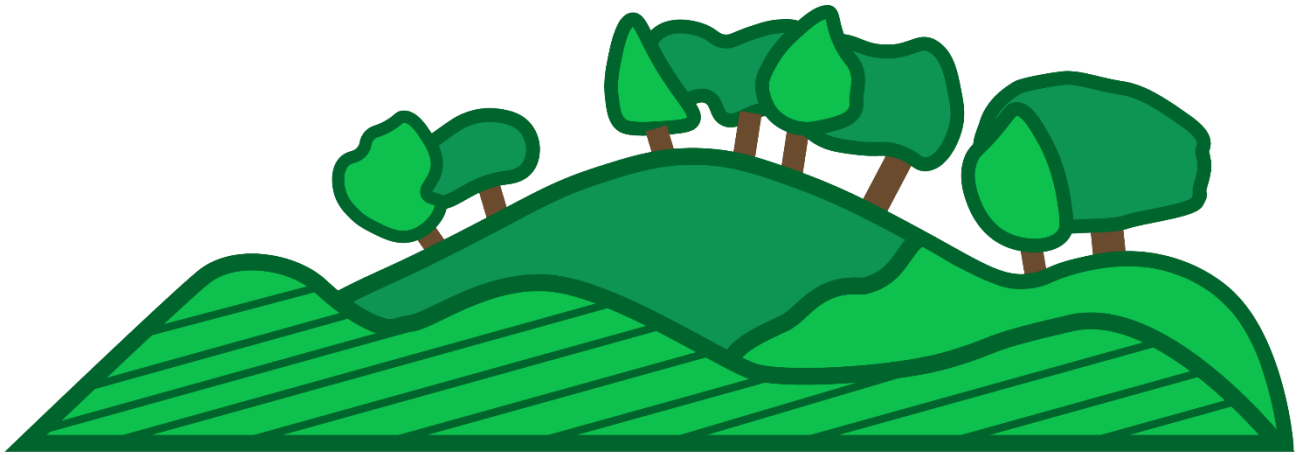


Finance Policy



Downsview

Community Primary School

Approved by:	Governing Body
Date:	29.03.23
Next review due by:	March 2024

1. Introduction

The Governors of Downsview Community 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 Board 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

Downsview Community Primary School Finance Policy will adhere to the following principles;

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

The **Governing Board** 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
- 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 Board** of Downsview Community 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 (e.g. the School Voluntary Fund).

The **Full Governing Board** of Downsview Community Primary School 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.

Full Governing Board have delegated responsibility to Monitoring governors for the following aspects of financial management to monitoring governors:

- To evaluate and recommend the three-year budget plan, which shows clear links to the School Development/Improvement Plan, for approval by the Full Governing Board.

- To review the Charging and Remissions and Finance Policy, including levels of delegation, for approval by the Full Governing Board.
- To report monitoring and the outturn position to the Full Governing Board, highlighting any significant variances

The Pay Committee will review the Pay Policy for approval by the Full Governing Board.

The Headteacher will advise the Full Governing Board of any consultations to change the LA Scheme for Financing Schools, to allow the school to respond.

The Full Governing Board will:

- Make decisions in respect of service agreements and insurance
- Evaluate any proposed virements
- Evaluate Tenders for Contract Services
- Keep in-school financial procedures under review
- Benchmark the school's financial performance.

The **Headteacher** is responsible for implementing the decisions of the Governing Board and for the operational management of the school. The general administration of financial procedures may be delegated to other members of staff at the discretion of the Headteacher and this delegation should be documented in the Finance Policy.

3.2 Internal Financial Controls

The internal financial controls operated by Downsview Community Primary School 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 reflects the scope and depth of financial implications in sufficient detail and this is reflected in the school's three-year budget plan.

3.4 Monitoring and Virements

Downsview Community 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 Chair of Governors. Monitoring governors scrutinise and report to the Full Governing Board on the 6 monthly, 9 monthly and

end of year budget reports. In addition the budget is included on the agendas for Full Governing Board meetings at least three times per year.

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. All virements over £8,000 to the approved budget are authorised by the Full Governing Board and minuted appropriately. Approval of virements up to £8,000 is delegated to the Headteacher.

3.5 Insurance

Downsview Community 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.

Downsview Community Primary School is insured as standard through the Safe Hands (RPA) scheme and therefore recognises that only cash held on site up to £3000 if held in a safe/strongroom or £250 if held in a locked receptacle (other than safe/strongroom) is insured.

3.6 Purchasing

At Downsview Community 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 Development/Improvement Plan.

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, the procedure for Spending the Council's Money as laid down in the Scheme for Financing Schools is adhered to (<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 Full Governing Board for approval.
- For orders of £50,000 or over, no fewer than three competitive tenders are sought and submitted to the Full Governing Board for approval

All of the above will be minuted at the appropriate Governing Board 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 Downsview Community 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 a monitoring governor and the full governing board for incorporation into the school budget planning process.

The **Headteacher's Performance Management Committee** undertakes an annual review of the Headteacher's salary, and recommends enhancements, if applicable, to the Pay Committee.

The Headteacher undertakes an annual review of all other staff, in accordance with the Governors' Pay Policy. Salary recommendations are approved by the Pay Committee.

Completion of the performance management process is reported to the Full Governing Board.

Minutes of meetings of the Headteacher's Performance Management Committee and the Pay Committee are confidential.

3.8 Payroll Matters

The payroll provider at Downsview Community Primary School is Capita, who provide 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 at Downsview Community Primary School are responsible for the security of school assets. Co-ordinators, subject managers and class teachers safeguard their assets and maintain asset registers – do they?, which are checked at least on an annual basis and certified by the Headteacher. Other 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 written off and disposed of this is agreed by the Full Governing Board 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 Downsview Community Primary School, the Lettings Policy is reviewed and approved by the Governing Board.

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 Board 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 £300. Cash will be receipted, recorded and banked promptly at all times.

3.11 The School Bank Account

Downsview Community Primary School operates its school bank account 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.

Bank statements at Downsview Community Primary School are received/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.

Personal Credit and Debit cards will not be used for the purchase of items for the school.

3.13 NatWest onecard

Downsview Community Primary School operates an approved *onecard* in accordance with the LA guidance.

The approved user/s and their monthly limits:

Richard Moore (Headteacher) – Monthly card limit £6,000, transaction limit £1500

Gary Davis (Site Manager) – Monthly card limit £2000, transaction limit £500

Hazel Willets (Family Liaison Officer – Monthly card limit £500, transaction limit £100)

3.14 The Voluntary Fund (Not applicable)

3.15 Irregularities

All staff at Downsview Community 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.

3.16 Data Protection

Downsview Community 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). Downsview Community Primary School pays £36 per annum as determined by the ICO.

3.17 Information Systems

Downsview Community Primary School has a password protection procedure 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

At Downsview Community Primary School, two members of staff are trained in the use of the finance software and financial administration procedures, in event of staff absence. A support contract is purchased with a suitable supplier, which is reviewed on an annual basis, allowing the option to purchase additional support, if required.