

Finance Policy

Date written: February 2024

Date of next review: February 2025

The Governors of Weald CPS 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 the Two Teams Model of Governance.

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

1. **Principles**

1.1 The Weald CPS Finance Policy will adhere to the following principles:

(a) The responsibilities of the Governing Board, its teams, the Headteacher and staff will be clearly defined and limits of delegated authority established, where applicable.

(b) The ***Governing Board*** is responsible for taking steps to ensure that expenditure reflects best value principles. This is done by;

(i) Using both performance data and financial benchmarking to compare to similar schools locally and nationally.

(ii) Using the information gained to ***challenge*** performance and set new targets.

(iii) Where financial benchmarking is available, using it to ***compare*** expenditure with similar schools.

(iv) Using fair ***competition*** through quotations and tenders, ensuring resources and contracts for services are secured in the most economic, efficient and effective way.

(v) ***Consulting*** parents on Policy development and major changes in the use of resources.

1.2 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.

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

1.4 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.

1.5 The school will be adequately insured against exposure to risk.

1.6 The school will ensure that:

1. The Budget Share is spent for the purpose of the school only.
2. Purchasing arrangements achieve value for money.
3. There are sound procedures for the administration of personnel matters.
4. There are sound procedures for the administration of payroll matters.
5. Stocks, stores and assets are recorded and adequately safeguarded against loss or theft.
6. All income due is identified and all collections receipted, recorded and banked promptly.
7. The operation of the bank account and the reconciliation of bank balances with the accounting records are properly controlled.
8. The use of petty cash is strictly controlled.
9. The use of a Corporate Card is strictly controlled.
10. The School Voluntary Fund and any other non-public funds are administered as rigorously as public funds.
11. Any suspected irregularity will be reported immediately to the LA’s Head of Internal Audit.
12. The school will adhere to current GDPR and Data Protection legislation.
13. Appropriate training in financial administration will be given to enable staff cover at all times.
14. **Putting policy into practice**

**2.1 Delegated authority**

1. The ***Full Governing Board*** of Weald CPS 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).
2. The ***Full Governing Board*** of Weald CPS will annually review and approve the Finance Policy and all Terms of Reference.
3. The ***Full Governing Board*** of Weald CPS 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.
4. The ***Full Governing Board*** of Weald CPS is responsible for pay decisions relating to the Headteacher and deputy Headteacher.
5. The***Strategy Team*** is delegated responsibility by the Governing Board for the following aspects of financial management;
6. Strategic planning e.g. ensuring links to the School Improvement Plan and report to the Full Governing Board.
7. Evaluate and recommend the three-year budget plan which shows clear links to the School Improvement Plan, for approval by the Full Governing Board.
8. To advise the Full Governing Board of any consultations to change the LA Scheme for Financing Schools.

(f) The ***Resources Team*** is delegated responsibility by the Governing Board for the following aspects of financial management;

1. Report monitoring and the outturn position to the Full Governing Board, highlighting any significant variances.
2. Consider any proposed virements.
3. Evaluate and report on Tenders for Contract Services to the Full Governing Board.
4. Keeping in-school financial procedures under review.
5. Ratify decisions in respect of service agreements and insurance.
6. Benchmark the school’s financial performance and report to the Full Governing Board.
7. Active involvement in any consultations to change the LA Scheme for Financing Schools.
8. Review Pay and Finance Policies ready to be presented to the Full Governing Board for approval
9. Review the Charging and Remissions Policy for approval by the Full Governing Body.

(g) The ***Pay Team*** is delegated responsibility by the Governing Board for:

(i) all pay decisions relating to the leadership team, with the exception of the Headteacher and deputy headteacher

(ii) undertaking an annual pay review for all staff in accordance with the Pay Policy and reaching decisions through the application of any relevant criteria measured by the school’s performance appraisal process

(h) 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.

**2.2 Internal financial controls**

The internal financial controls operated by Weald CPS follow the controls set out in the LA’s Scheme for Financing Schools.

**2.3 Financial links to the School Improvement Plan**

The **School Improvement Plan** will have a budget plan to support Ofsted report actions.

**2.4 Monitoring and virements**

(a) Weald CPS 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 Resources Team. A monitoring report is taken to all Resource Team meetings which reports, as required, to the Full Governing Board. 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 or submission or soon after. This will ensure they have an up-to-date position of the school’s finances.

(b) On occasions, virements need to be carried out. Virements to the ratified budget are minuted appropriately and require the following authorisation:

(i) virements up to £8000 - the Headteacher, reported to the Resources Team

(ii) virements between £8000 and £10,000 – the Resources Team

(iii) virements over £10,000 – the Full Governing Board

**2.5 Insurance**

(a) Weald CPS is insured through the ***Kent County Council ‘Safe Hands’ Scheme***with relevant cover, as identified by the schedule received from the LA’s Insurance section.

(b) Weald CPS recognises that cash is not insured through the LA’s Insurance policy.

**2.6 Purchasing**

1. At Weald Primary School, we are moving to a position where budgets are delegated to curriculum teams. Budget holders will 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 Improvement Plan.
2. 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.
3. Where the school purchases large items, we adhere to the procedure for Spending the Council’s Money as laid down in the Scheme for Financing Schools (www.kent.gov.uk/publications/business/spending-councils-money.htm), in summary:
4. For orders in excess of £8,000, but less than £50,000, three written quotations are obtained and submitted to the ***Resources Team*** for evaluation and report to the Full Governing Board.
5. For orders in excess of £50,000, no fewer than three competitive tenders are sought and submitted to the Full Governing Board for approval.
6. All of the above will be reported and minuted at the appropriate Team/Full Governing Board meeting to ensure that the School is seen to be obtaining value for money at all times.
7. The school does not enter into any hire purchase agreements, finance agreements or finance leases as this constitutes borrowing which is not permitted.

**2.7 Personnel Matters**

1. At Weald CPS, at the start of every financial year the ***School Finance Officer*** uses the three year salary calculator provided on Kent Trust Web to calculate the salary costs of all members of staff, including increments, where applicable. These details are used by the ***Strategy Team*** for incorporation into the school budget planning process.
2. The ***Performance Management Team*** undertakes an annual review of the Headteacher’s and Deputy Headteacher’s salaries, and recommends enhancements, if applicable, to the Full Governing Board for approval.
3. The Headteacher undertakes an annual review of all other staff, in accordance with the Governors’ Pay Policy and reports to the Pay Team.
4. Details of all salaries are recorded as a confidential item in the minutes.

**2.8 Payroll matters**

The payroll provider at Weald CPS is Capita Business Services Ltd*,* 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.

**2.9 Safeguard of stocks, stores and assets**

1. All staff at Weald CPS are responsible for the security of school assets. There is a central asset register, maintained and up-dated by The School Office. It is checked at least on an annual basis and certified by the Headteacher.
2. Items of value are held in a locked cupboard/cabinet, wherever possible and all items are visibly security marked to deter theft.
3. Where assets are written off and disposed of, the Full Governing Board agrees this and the agreement is minuted.
4. Where school assets, excluding staff laptops, are loaned to staff or pupils, a loans book is completed and signed when borrowing the item and again when the item is returned.

**2.10 Income**

1. At Weald CPS, the Lettings Policy is reviewed and approved on an annual basis by the Resources Team.
2. 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).
3. Since the LA does not insure for cash held on the school premises, we have agreed a level of cash to be held in school at any one time as £250.

**2.11 The school bank account**

1. Weald CPS operates its school bank account(s) in accordance with the regulations in the LA’s Scheme for Financing Schools and the guidance in the Budget Book.The school operates only one current account for the administration of KCC official funds.
2. Bank account signatories are updated immediately there is a change in staffing and details are copied to the Statutory Unit, as a matter of course.
3. Bank statements at Weald CPS are received on a monthly basis and reconciled to the school’s local system immediately. The Headteacher signs and dates the bank statement when the reconciliation has been checked.

**2.12 Petty Cash**

1. Weald CP School does not hold a petty cash account.
2. Personal Credit and Debit cards will not be used for the purchase of items for the school.

**2.13 “One Card”**

* 1. Weald CPS operates three approved One Cards in accordance with the guidance in the LA’s Budget Book.
1. For one, the approved user is Mr David Pyle (Headteacher). The card limit is £3,000 with an individual transaction limit of £1,500.
2. The second, for the School Secretary, has a card limit of £300 with an individual transaction limit of £150.
3. The third, for the Breakfast Club manager, Katrina Weingaertner, has a card limit of £200 with an individual transaction limit of £75
4. The One Cards will be kept safely at all times when not in use. Personal credit and debit cards will not be used for the purchase of items for the school. Itemised receipts will be required (for re-imbursement – remove) of any expenses, including credit card purchases.

**2.14 Irregularities**

All staff at Weald CPS are aware of the LA’s Whistleblowing procedure. These details are available to staff in their staff handbook.

**2.15 Data protection**

Weald CPS (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 fee is determined by the ICO**.**

**2.16 Information systems**

Weald CPS 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.

**2.17 Financial administration**

1. At Weald CPS, our Finance Officer is an independent appointment.
2. In the event of the school’s Finance Officer being long term absent, the Headteacher will contact The Education People - Schools Financial Services for support on 03301 651001