



# BRIDGE & PATRIXBOURNE CEP SCHOOL

## SCHOOL FINANCE POLICY & PROCEDURE

Bridge & Patrixbourne Church of England Primary School is a welcoming and nurturing community which promotes: *creativity* (developing our gifts); *excellence* (being the best we can be) and *resilience* (learning from our experiences). The school provides opportunities which enable everyone to flourish and grow within the love of God.

*I am the vine, you are the branches. If you remain in me and I in you, you will bear much fruit. Without me, you can do nothing.*

**John 15:5**

### Key Personnel

**School Business Manager:** Jess Haigh

**Chair of F&P Team:** Mark Hills

### Key Dates

**Ratified by FGB:** May 2024

**Date of next review:** May 2025

## Introduction

The Governors of Bridge & Patricxbourne CE 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.

## 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 Authority's Budget Manual and the Audit Commission documents mentioned above, 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 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 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

### Putting Policy into Practice

#### Delegated Authority

The **Full Governing Body** has overall responsibility for the management of all of the school's finances covering the delegated formula budget, other budgets delegated or devolved by the Authority 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 **Finance and Personnel Team** has delegated responsibility by the 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
- 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 general administration of financial procedures may be delegated to other members of staff at the discretion of the Headteacher.

Day to day financial matters are handled by the School Business Manager.

#### The Best Value Principles

The **Governing Body** is responsible for taking steps to ensure that expenditure reflects best value principles as mentioned in earlier, refer to Best Value Statement for further details.

#### Corporate Cards

Bridge & Patricbourne C.E. Primary School operates an approved Natwest OneCard system in accordance with the Local Authority guidance. (See KELSI website).

The approved cardholders are the Headteacher and School Business Manager.

The monthly card limit for each card is £1,000 (Headteacher) and £3,000 (School Business Manager).

Natwest OneCards are designed to be simple and easy to use while providing the school with the goods required whilst adhering to efficient financial procedures. Receipts should be kept for monthly reconciliation.

When accepting a card the signatories are considered as being in a position of trust. Such position requires them to act in a responsible manner that safeguards the financial interests of this school and KCC.

When using the card they should exercise good judgement and act responsibly. The card is issued in the individual's name and all activity will be assumed to have been incurred by the named staff. In addition, random audits may be conducted for both card activity and retention of receipts and invoices as well as the physical security of the card.

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

### Internal Financial Controls

The internal financial controls operated by Bridge & Patrixbourne CE Primary School follow the controls set out in the Authority's Financial Regulations and the Budget Manual. Any additional internal financial controls included within the school's financial procedures are reviewed by the Finance and Personnel Committee and ratified by the Governing Body.

### Financial Links to the School Plan

The **School Plan** for Bridge & Patrixbourne CE Primary School links to the following:

- The **Teaching & Learning Committee** reviews the school's curriculum strengths and areas where improvements are needed. Any improvements are costed to give short-term and long-term estimates of the resources needed to bring about the required development.
- The **Finance & Personnel Committee** estimates the resource needs of the school in providing the planned staffing levels. It also estimates the ongoing needs of the Premises and subsequent financial implications.

### Monitoring and Virements

Bridge & Patrixbourne CE 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 regular internal monitoring procedure, copied to the Chair of the Finance and Personnel Committee. A member of the Committee meets with the Financial Officer regularly to review the figures. A monitoring report is taken to the termly meeting of the Finance and Personnel Committee which reports, as required, to the Governing Body. Reports are submitted to the Authority in accordance with its timetable.

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

- Virements up to £5,000 - The Headteacher, reported to the Finance and Personnel Committee
- Virements up to £10,000 – The Finance and Personnel Committee
- Virements over £10,000 – The Full Governing Body

### Insurance

Bridge & Patrixbourne CE Primary School is insured through **the Kent County Council 'Safe Hands' Scheme** with relevant cover, as identified by the schedule received from the Authority's Insurance section.

Bridge & Patrixbourne CE Primary School recognises that cash is not insured through the Authority's Insurance policy.

### Purchasing

At Bridge & Patrixbourne CE Primary School, budgets are delegated to key stage leaders and class teachers. Budget holders prepare a 'needs budget' (if required) for their area of responsibility, which is approved by the Headteacher in line with the priority needs of the school and the School Plan.

All staff adhere to the school procedures for purchasing items, detailed in financial control no. 7, ensuring 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 large items, we adhere to the procedure for tenders and contracts as laid down in the Budget Manual (on-line), in summary:

- For orders in excess of £8,000, but less than £50,000, three written quotations are obtained and submitted to the Finance & Personnel Committee for consideration
- For orders in excess of £50,000, no fewer than three competitive tenders are sought and submitted to the Full Governing Body for consideration

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. With this in mind, the School also adopts the procedure where quotations are sought for all purchases over £5000 as a matter of course.

The school does not enter into Lease/Purchase agreements and any Lease agreements are submitted to the Authority's Corporate Accounts and Treasury Management Section for approval, prior to signing.

### **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 Finance & Personnel Team for incorporation into the school budget planning process.

The Headteacher Appraisal Panel 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 Pay & Reward Policy and reports to the Full Governing Body.

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

### **Payroll Matters**

The payroll provider at Bridge & Patricxbourne CE Primary School is HR Connect who provides payroll services to the specification laid down by the Authority. The Headteacher, or designated deputy signs off the monthly payroll reports once they have been checked for accuracy.

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

All staff at Bridge & Patricxbourne CE Primary School are responsible for the security of school assets. Co-ordinators, subject managers and class teachers safeguard their assets and maintain asset registers, which are checked on an annual basis and certified by the Headteacher or designated deputy. 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, the Finance and Personnel Committee agrees this on behalf of the Governing Body and the agreement is minuted.

Where school assets are loaned to staff or pupils, a loans book is completed and signed upon borrowing the item and again upon the item's return.

## Income

At Bridge & Patrixbourne CE Primary School, the charging and lettings policy is reviewed and updated on a regular basis 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.

Since the Authority 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 £300. Cash will be receipted, recorded and banked promptly at all times.

Banking will be undertaken weekly by the School Business Manager who will be accompanied by another member of staff.

## The School Bank Account

Bridge & Patrixbourne CE Primary School operates its school bank account(s) in accordance with the regulations in the Authority's Finance Scheme and the guidance in the Budget Manual. The school operates only one current account for the administration of KCC official funds.

Authorised signatories for the school bank account are the Headteacher, Deputy Headteacher and School Business Manager.

Bank account signatories are updated immediately if there is a change in staffing and details are copied to the Authority's Area Finance Office, as a matter of course.

The school pays suppliers/invoices via online banking/BACS ensuring it adheres to all financial controls within the Scheme for Financing Schools

Bank statements at Bridge & Patrixbourne CE Primary School are accessed online, printed weekly and reconciled to the school's local system immediately. The Headteacher or designated deputy signs and dates the bank statement when the reconciliation has been checked.

## The Voluntary Fund

In addition to the Authority's official funds, Bridge & Patrixbourne CE Primary School also operates a school voluntary fund, adopting the procedures in the Authority's School Voluntary Fund guidelines. 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. All monies for the voluntary fund are held securely and separately from those of the school budget.

## Fraud and Irregularities

All staff at Bridge & Patrixbourne CE Primary School are aware of the 'Whistle Blowing Procedure', which allows members of staff to raise concerns in confidence, providing for a thorough investigation of any suspected irregularity. These details are available to staff in the staff handbook.

Bridge and Patrixbourne school have a current Anti-Fraud, Bribery and Corruption Policy in place, staff are aware of this policy it is displayed in the staff room.

## Data Protection

Bridge & Patrixbourne CEP 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).

### Information Systems

Bridge & Patricbourne CEP 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.

### Financial Administration

At Bridge & Patricbourne CE Primary School, two members of staff are trained in the use of the finance software and financial administration procedures. We purchase a support contract through the Authority's Finance Trading and Contract Management team, allowing us the option to purchase additional area support, if required.

### VAT Registration Checks

Any invoices received without VAT will be checked on the VAT Register.