

# Frittenden Church of England Primary School

## Finance Policy



**Learning for Life in the Light of God.**

<b>Policy Control</b>	
<b>Responsible Person:</b>	<b>Nic Costello</b>
<b>Responsible Governor Team:</b>	<b>Circle Model</b>
<b>Approved by Governors:</b>	<b>27<sup>th</sup> March 2018</b>
<b>Date due for review:</b>	<b>March 2019</b>

***Our school policies are written with the objective of continuously improving the school in our aim of realising the school's vision:***

### **Our Vision**

To engage every child in an exciting and meaningful educational experience, in an inclusive caring Christian community

### **Our School Values**

Frittenden Church of England Primary School values

**Compassion • Wisdom • Hope • Trust • Forgiveness • Thankfulness**

and all our stakeholders are encouraged to *reflect* upon their learning and their actions.

## 1. Introduction

The Governors of Frittenden CoE 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 Head Teacher and the Governing Body have drawn up this Finance Policy to provide the guiding principles for which all Governors and staff will operate within the circle model of governance..

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

### Principles

Frittenden CoE Primary School Finance Policy will adhere to the following principles;

- The responsibilities of the Governing Body, its committees, the Head Teacher 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 performance data to **compare** attainment and other outcomes from all schools nationally, and with similar schools
- Using the information gained to **challenge** performance and set new targets
- Where financial benchmarking is available, using it to **compare** expenditure with similar schools
- 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 Improvement Plan, which indicates the resource implications of each priority.

The budget will be subject to effective monitoring, allowing the Governors, Head Teacher 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 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 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 Frittenden CoE 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 body** of Frittenden CoE 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.

The Full Governing Body is responsible for the following aspects of financial management;

- Evaluate and recommend the three year budget plan, which shows clear links to the School Improvement Plan

- To review annually the Finance Policy and agree levels of delegation
- To review annually the Charges and Remissions Policy
- To review a Pay Policy
- To make decisions in respect of service agreements and insurance
- To review any consultations to change the LA Scheme for Financing Schools
- To report monitoring and the outturn position
- Evaluate any proposed virements
- Evaluate and report on Tenders for Contract Services
- Keeping in-school financial procedures under review
- Benchmark the school's financial performance

The **Head Teacher** 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 Head Teacher and this delegation should be documented in the Finance Policy.

### **3.2 Internal Financial Controls**

The internal financial controls operated by Frittenden CoE 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 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**

Frittenden CoE Primary School recognises that the regular monitoring of income and expenditure against the agreed budget is central to effective financial management. To this end, Sam Sands, Schools Financial Services, carries out a monthly budget monitoring procedure, with school finance staff and the Head Teacher, this is copied to the Chair of the Resources Committee. A monitoring report is taken to all meetings of the Resources Committee which reports, as 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 need to be carried out. Virements to the approved budget are minuted appropriately and require the following authorisation:

Virements up to £8,000 - The Head Teacher, reported to the Resources Committee

Virements over £8,000 – The Full Governing Body

*(Note: Levels should be determined at school level - usually up to £8,000 Head Teacher, up to £10,000 Resources Committee (if there is one), over £10,000 Full Governing Body)*

### **3.5 Insurance**

Frittenden CoE Primary School is insured through the Kent County Council (KCC) with relevant cover. The school is insured as a Kent partnership school for content and personal liability under KCC insurance policy.

Other insurances operated by the school are: Building and contents insurance through Zurich Municipal, and Supply teacher insurance through Schools Advisory Service- Tel:01773 814400. This is reviewed annually for best value.

Frittenden CoE Primary School recognises that cash is not insured through the LA's Insurance Policy.

### **3.6 Purchasing**

At Frittenden CoE Primary School, budgets are allocated to individual subjects and any purchasing is approved by the Head Teacher in line with the priority needs of the school and the School 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 Head Teacher authorise all orders and invoices prior to payment.

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](http://www.kent.gov.uk/publications/business/spending-councils-money.htm)), 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 Body. Orders in excess of £8,000 require authorisation from the Chair of Governors.
- For orders in excess of £50,000, 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 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 £8,000, as a matter of course.

**The school does not enter into any Hire Purchase agreements, Finance agreements or Finance Leases, with the exception of the photocopier which is leased via Kent County Council and adheres to Leasing Guidelines.**

### **3.7 Personnel Matters**

At Frittenden CoE Primary School, at the start of every financial year the Head Teacher, Office Manager and Schools Financial Services, uses the three year salary calculator provided on Kelsi to calculate the salary costs of all members of staff, including increments, where applicable. These details are used by the Resources Committee for incorporation into the school budget planning process.

The Performance Management Committee undertakes an annual review of the Head teacher salary, and recommends enhancements, if applicable, to the Full Governing Body for approval.

The Head Teacher 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 Frittenden CoE Primary School is Capita, who provides payroll services to the specification laid down by the LA. The Head Teacher signs off the monthly payroll reports once they have been checked for accuracy.

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

All staff at Frittenden CoE Primary School are responsible for the security of school assets. School assets, with an individual value of over £100 are recorded on a general asset register (excel), maintained and updated by the school office. All staff are to alert the Office Manager if an asset is being disposed of.

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

### **3.10 Income**

At Frittenden CoE Primary School, the Lettings Policy is reviewed and approved on an annual basis by the Governing Body.

Where debts are required to be written off, after reasonable effort has been made by the Head Teacher 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 CFE Finance Manager.

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

### **3.11 The School Bank Account**

Frittenden CoE 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 Statutory Unit, as a matter of course.

Bank statements at Frittenden CoE Primary School are received on a monthly basis and reconciled to the school's local system immediately. The Head Teacher signs and dates the bank statement when the reconciliation has been checked.

### **3.12 Personal credit/ Debit cards**

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

### **3.13 The Voluntary Fund**

In addition to the LA's official funds, Frittenden CoE Primary 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. All monies for the Voluntary Fund are held securely and separately from those of the school budget.

### **3.14 Irregularities**

All staff at Frittenden CoE Primary School are aware of the LA's Whistleblowing arrangements and to whom they should report concerns. These details are available to staff the handbook and on the school website.

### **3.15 Data Protection**

Under the terms of the Data Protection Act 1998, the Head Teacher and Governing Body are required to notify the Information Commissioner of our processing, storage and disclosure of data procedures, which are covered by this legislation. 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.

### **3.16 Financial Administration**

At Frittenden CoE Primary School, one member of staff are trained in the use of the finance software (FMS) and financial administration procedures. We also purchase a support contract with Schools Financial Services, which is reviewed on an annual basis, allowing us the option to purchase additional support, if required.

Signed Alex Davies  
(Chair of Governors)

Date

Signed Nichola Costello  
(Head Teacher)

Date:

**If you have any queries please contact the Schools Financial Services on  
03000 415 415**