Finance Policy

BLEAN PRIMARY SCHOOL

Policy Review date: September 2026

Headteacher: Mr I Rowden

Chairs of Governors: Mr H Samuelson

Date of Next Review: October 2027

1. Introduction

The Governors of Blean 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

Blean Primary School Finance Policy will adhere 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 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, 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 **one**card is strictly controlled
- Any suspected irregularity will be reported immediately to the LA's Head of Audit and Risk
- 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 Blean Primary School has overall responsibility for the management of all the school's finances covering the revenue budget, other budgets delegated or devolved by the LA and other funds.

The ***Full Governing Body*** of Blean 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 **Resources Committee** is delegated responsibility by the Full Governing Body for the following aspects of financial management:

- Evaluate and approve the three-year budget plan, which shows clear links to the School Improvement Plan, for approval by the Full Governing Body
- To approve annually the Finance Policy and agree levels of delegation.

- To review the Charges and Remissions Policy for approval by the Full Governing Body

- To review the Pay Policy for FGBs approval.

- 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 together with the School Business Manager are responsible for implementing the decisions of the Governing Body and for the operational management of the school. The general administration of financial procedures has been delegated to the Business Manager at the discretion of the Headteacher.

3.2 Internal Financial Controls

The internal financial controls operated by Blean Primary School follow the controls set out in the LA's Scheme for Financing Schools and the Budget Book.

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

Blean 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 together with the Business Manager carry out a monthly internal monitoring procedure, 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 £15,000 - The Headteacher, reported to the Resources Committee

Virements up to £25,000 – The Resources Committee

Virements over £25,000 – The Full Governing Body

3.5 Insurance

Blean 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.

Blean Primary School is a cashless school and does not purchase Money Cover through the Safe Hands scheme and therefore recognises that cash is not insured.

3.6 Purchasing

At Blean Primary School, all budgets are held by the Headteacher and Business Manager.

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, Deputy Headteacher or School Business Manager authorise all orders and invoices prior to payment.

Where the school purchases larger items, the school will adhere to the following:

- For purchases up to £24,999 (exc VAT) one written quotation.

- For purchases of £25,000 (exc VAT) and up to the current public procurement threshold, three written quotations are obtained and submitted to the Resources Committee *for* approval according to the TOR responsibilities.

- For purchases above the public procurement threshold for goods and services, or above £1m for works, a tendering procedure compliant with public procurement regulations is required.

All 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.

3.6.1 Leases

The distinction between operating and finance leases has ended, however there are strict criteria for allowable leases not needing the consent of the Secretary of State (detailed in the scheme and controls). All leases are classed as borrowing.
Any lease a school enters into must be done so within the parameters of the School's Finance Policy and Spending the Councils Money.

Blean Primary will seek advice before entering into any lease or asset rental or buy-back scheme to ensure it is legal. All lease agreements are subject to the rules on contracts and the relevant limits apply.

All leases will now count in principle as capital, unless the total value of the lease is below the local capitalisation threshold. Where a lease counts as capital, it must not be included in the revenue expenditure lines E12 to E25. Instead, it must be included in E30 as direct revenue financing of capital.

3.7 Personnel Matters

At Blean Primary School, at the start of every financial year the Headteacher together with the School Business Manager use the financial planning tool provided by School Financial Services 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 Headteacher's and Leadership salaries 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 Blean Primary School is Capita Business Services Ltd, who provides payroll services to the specification laid down by the LA. The Headteacher or Business Manager signs off the monthly payroll reports once they have been checked for accuracy.

3.9 Safeguard of Stocks, Stores and Assets

All staff at Blean 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 at least on an annual basis and certified by the School Business Manager or Site Manager. Blean School assets are recorded on a web based asset register, (ischool audit) maintained and updated by the Site Manager.

Items of value are held in a locked cupboard/cabinet, wherever possible.

Where assets are written off and disposed of, the Headteacher agrees this on behalf of the Full Governing Body.

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 Blean Primary School, the Lettings Policy is reviewed and approved bi-annually by the Resources Committee.

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. (schoolfunding@kent.gov.uk).

All payments will be received by Bank Transfer, SUMUP or BACS, no cash will be accepted as payment.

3.11 The School Bank Account

Blean Primary School operates its school bank account(s) in accordance with the regulations in the LA's Scheme for Financing Schools. The school operates a 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.

Blean Primary School pays suppliers/invoices via online banking/BACS ensuring it adheres to all financial controls within the Scheme for Financing Schools.

Bank statements at Blean Primary School are received on a fortnightly basis and reconciled in accordance with LA guidelines. The Headteacher or Business Manager signs and dates the bank statement when the reconciliation has been checked.

3.12 Petty Cash

Blean Primary is a cashless school and does not hold Petty Cash.

Staff must not use their own cash, personal debit or credit cards for the purchase of any items for the school.

3.13 NatWest **one**card

I Blean Primary School operates an approved **one**card in accordance with the LA guidance.

The approved users are the Headteacher, School Business Manager and Extended School Manager. The monthly card limit is £5000.

Cardholder and/or Position	Single transaction limit	Monthly card limit
Headteacher	£1000	£5000
Business Manager	£1000	£5000
Extended School Manager	£1000	£2500

3.14 Fraud and Irregularities

All staff at Blean Primary School are aware of the LA's Whistleblowing procedure and the Anti-Fraud, Bribery and Corruption Policy and who they should report to. This forms part of our Induction programme to staff and governors. These details are also available to staff on SharePoint.

3.15 Data Protection

Blean 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). Blean Primary School pays £60 as determined by the ICO**.** The schools designated Data Protection Officer is Satswana.

3.16 Information Systems

Blean 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.

3.17 Financial Administration

At Blean Primary School, two members of staff and a Governor are trained in the use of the finance software and financial administration procedures. We also purchase a helpdesk support service through the Schools Financial Services, which is reviewed on an annual basis, allowing the school the option to purchase additional support in the event of staff absence.