

Be the best we can, for ourselves, for others and for God



HILDENBOROUGH CHURCH OF ENGLAND PRIMARY SCHOOL FINANCE POLICY

Sept 2017

Christian values underpin all that we do at Hildenborough CEP School. We feel it is important for both adults and children alike to understand that Christian values are based on God and the work of Jesus Christ. We believe that the understanding and application of Christian values strengthens the school community's spiritual development and this is reflected through daily deeds and actions. Core Christian values include hope, righteousness, love, and putting God first in our lives. As a school we have chosen the particular Christian values of love, honesty and courage to enhance the children's curriculum and daily school life.

Last Reviewed	Sept 2017
Next Review Date	Sept 2018
Ratified by	FGB
Ratified on	20.9.17
Lead Person	FGB
Category	General

LOVE. HONESTY. COURAGE.

HILDENBOROUGH CHURCH OF ENGLAND PRIMARY SCHOOL

www.hildenborough.kent.sch.uk



Finance Policy

The Governors of Hildenborough Church of England Primary School (HCEPS) are committed to providing the best possible education for the children within their care; to provide a safe and secure environment; to continually strive to improve standards in all aspects of the School and to raise the positive profile of the School within the community. They will therefore ensure sound financial procedures and controls, achieve value for money and aim to worthy custodians of public money.

This finance policy, therefore, provides 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**

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

The School will apply 4 **Best Value** principles in its management and allocation of resources, being;

- **Compare** – comparing the School's performance with that of other schools.
- **Challenge** – challenging if the School's performance is high enough and why and how a service is being provided.
- **Complete** – demonstrating how the School secures economic, efficient and effective services.
- **Consult** – seeking the views of staff, parents, pupils and other stakeholders about the services the School provides.

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 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 received, 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 petty cash is strictly controlled;
 - the use of a Corporate Card is strictly controlled
 - 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; and
 - appropriate training in financial administration will be given to enable staff cover at all times
- **Putting Policy into Practice**

- **Delegated Authority**

The **Governing Body** of HCEPS has overall responsibility for the management of all the School's finances covering the delegated formula budget, other budgets delegated or devolved by the LA and other funds.

The Governing Body of HCEPS 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 **Headteacher** is responsible for implementing the decisions of the Governing Body and for the operational management of the School.

- **Internal Financial Controls**

The internal financial controls operated by HCEPS follow the financial controls set out in the LA's Scheme for Financing Schools with the exception that only outstanding orders older than 14 days are entered as commitments on the finance system prior to monitoring.

Controls included within the School's financial procedures are reviewed by the Resources Monitoring Pair and reported to the Governing Body.

- **Links to the School Improvement Plan**

The School Plan for HCEPS incorporates plans for resource management, specifically for the development of the Curriculum, the maintenance and development of premises and, where appropriate, staff development.

- **Monitoring and Virements**

The 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. The Leadership & Management Monitoring Pair will submit a monitoring report to a meeting of the Governing Body three times per year.

Reports are submitted to the Authority in accordance with its timetable.

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

- Virements up to £10,000 – The Headteacher, reported to the next meeting of the Governing Body through monitoring of budget as fixed agenda item.
- Virements in excess of £10,000 – the full Governing Body.*

- **Insurance**

The School is insured through the Kent County Council 'Safe Hands' Scheme (including School Journey Insurance) with relevant cover, as identified by the schedule received from the LA's Insurance section.

- **Purchasing**

Budgets are delegated to key stage leaders, subject leaders, admin officer and caretaker. Expenditure, which is approved by the Headteacher, is in line with the priority needs of the School and the School Plan.

All staff adhere to the School procedures for purchasing items, paying regard to value for money at all times. The Headteacher, or in her absence, the Deputy Headteacher, authorises all orders and invoices prior to payment.

Where the School purchases large items, the following procedures will be adhered to:

- For orders in excess of £5,000, but less than £25,000, 3 written quotations are sought and submitted to the next meeting of the Governing Body for consideration.
- For orders in excess of the £25,000, 3 written tenders are sought and submitted to the full Governing Body for approval.

All of the above will be minuted at the appropriate 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 3 quotations are sought for all purchases over £2,000, wherever possible.

The school does not enter into any Hire Purchase agreements, Finance agreements or Finance Leases as this constitutes borrowing which is not permitted.

- **Personnel Matters**

The salaries of staff will be assessed annually in accordance with the School's adopted Pay Policy.

- **Payroll Matters**

The payroll provider is SPS Intepay 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.

- **Safeguard of Stocks Stores and Assets**

All staff are responsible for the security of school assets. Team leaders, subject leaders and class teachers safeguard their assets and a central asset register is maintained and checked at least on an annual basis and certified by the Headteacher or Bursar.

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

Where it is proposed that assets should be written off and disposed of, the Governing Body will consider the matter and any agreement will be recorded in the minutes.

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 HCEPS the charging and lettings policy is reviewed and updated on an annual 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 Schools Financial Services Manager.

We have agreed a level of cash to be held in school at any one time as £500. Cash will be receipted, recorded and banked promptly at all times.

- **The School Bank Account**

The School operates its school bank accounts 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 Authority's Area Finance Office.

Bank Statements are received on a monthly basis 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.

- **Petty Cash**

Petty Cash is held securely at all times and the limit for petty cash is £250. Petty cash transactions are kept to a minimum and the maximum value of any one transaction is £30. All staff obtain proper VAT receipts for petty cash purchases wherever possible.

- **Corporate Card**

HCEPS operates an approved RBS Corporate Card in accordance with the LA guidance. The approved user is the Headteacher. The monthly card limit is £ 3,000.

- **Parent Teacher Association Accounts**

The Parent Teacher Association is required to submit audited accounts on an annual basis. These will be reported to the Governing Body and this will be minuted.

- **Irregularities**

All staff 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.

- **Data Protection**

Under the terms of the Data Protection Act 1998, the Headteacher and Governing Body are required to notify the Data Protection Commissioner of the School's processing, storage and disclosure of data procedures, which are covered by this legislation. To this end, the School has a password protection procedure. Systems are backed up daily on weekdays and the backups held securely. Virus protection is in place and is updated automatically and the School has a disaster recovery plan for the administration network.

- **Financial Administration**

A highly qualified Bursar is trained in the use of the finance software and financial administration procedures. In the event of extended absence an external source of support will be commissioned to ensure good continuation of systems due to the amounts of funds being handled. A second person is trained in the day to day procedures of ordering and paying invoices. The School also purchases a support contract through the Authority's Area Finance team, which is reviewed on an annual basis, allowing the School the option to purchase additional area support, if required.

Approved:

Date Signed
(Chair of Governors)

Date..... Signed.....
(Headteacher)

Date..... Signed.....
(Finance Officer)