High Rocks Federation

ASPIRATION INCLUSION COLLABORATION

BROADWATER DOWN PRIMARY SCHOOL

LANGTON GREEN PRIMARY SCHOOL

# Finance Policy

*This is a shared policy, applied to all schools within the Federation and superseding any previous separate policies.*

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| **Approved** | Autumn 2026 |
| **Next review** | Autumn 2027 |

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## 1. Introduction

The Governors of High Rocks Federation 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 Executive 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

High Rocks Federation Finance Policy will adhere to the following principles;

- The responsibilities of the Governing Body, its committees, the Executive 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/Development Improvement Plan, which indicates the resource implications of each priority.

The budget will be subject to effective monitoring, allowing the Governors, Executive 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 NatWest OneCard is strictly controlled
- 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

## 3. Putting Policy into Practice

### 3.1 Delegated Authority

The Full Governing Body of High Rocks Federation 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.

The Full Governing Body of High Rocks Federation 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 Committee is delegated responsibility by the Full 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 (If applicable)
- 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 Executive 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 Executive Headteacher and this delegation should be documented in the Finance Policy.

### 3.2 Internal Financial Controls

The internal financial controls operated by High Rocks Federation will 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 Development/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

High Rocks Federation 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. A monitoring report is taken to all meetings of the Resources Committee which reports, if 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 may need to be carried out. Virements to the approved budget are minuted appropriately and require the following authorisation:

Virements up to £8,000 – The Executive Headteacher, reported to the Resources Committee
Virements from £15,000 - The Resources Committee
Virements in excess of £15,000 – The Full Governing Body

### 3.5 Insurance

Langton Green Primary School and Broadwater Down Primary School are both insured through the Kent County Council (KCC) 'Safe Hands' with relevant cover, as identified by the schedule received from the LA's Insurance section.
Langton Green Primary School purchases Money Cover as an optional extra through the Safe Hands scheme and therefore cash is insured up to £10,000.
No cash is held at Broadwater Down Primary School, occasionally PTA cash is held at Langton Green.

### 3.6 Purchasing

At Langton Green Primary School and Broadwater Down Primary School, all budgets are held and approved by the Executive Headteacher in line with the priority needs of the school and the School Development/Improvement Plan.

All staff adhere to the school procedures for purchasing items, as laid down 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.

**Personal Credit and Debit cards or CASH should not be used for the purchase of items for the school.**

**Personal Reward cards must not be used in conjunction with any school purchase**

Where the school purchases larger items, we adhere to the procedure for Spending the Council's Money as laid down in the Scheme for Financing Schools (http://www.kelsi.org.uk/policies-and-guidance/finance-guidance-and-policies/scheme-for-financing-schools),
in summary:

- For purchases up to £24,999 a minimum of one written quotation is required.
- For purchases of between £25,000 and up to the applicable public procurement threshold for good and services (currently £177,896) or up to £1m for works, schools must obtain at least three written quotations to be submitted to the Resources Committee for approval and report to the Full Governing Body**)**
- For purchases above that threshold for goods or services, or above £1m for works, no fewer than three competitive tenders are sought in line with public procurement regulations 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.

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

### 3.7 Personnel Matters

For High Rocks Federation at the start of every financial year the Executive 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 Resources Committee for incorporation into the school budget planning process.

The Headteacher Performance Management Panel undertakes an annual review of the Executive 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 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 Langton Green Primary School and Broadwater Down School is HR Connect, who provides payroll services to the specification laid down by the LA. The Executive Headteacher and School 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 of High Rocks Federation 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 Executive Headteacher or School Business Manager 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 Resources Committee agrees this on behalf of the Full Governing Body and the agreement is minuted.

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 Langton Green Primary School, the Lettings Policy is reviewed and approved by the Governing Body. No Lettings take place at Broadwater Down Primary School.

There is NO CASH held in school.

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 LA Finance Business Partner CYPE.

### 3.11 Petty Cash

Langton Green Primary Schol and Broadwater Down Primary School do not use or store Petty Cash.

### 3.12 The School Bank Account

Langton Green Primary School and Broadwater Down Primary School operate their school bank accounts in accordance with the regulations in the LA's Scheme for Financing Schools. Each 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 Schools Financial Services, as a matter of course.

Suppliers and Invoices are paid via BACS or Cheque ensuring it adheres to all financial controls within the Scheme for Financing Schools.

Bank statements at Langton Green Primary School and Broadwater down Primary School are received/printed out on at least a monthly basis and reconciled in accordance with LA guidelines. The Executive Headteacher or designated deputy signs and dates the bank statement as soon as possible after the reconciliation has been checked.

### 3.13 Natwest OneCard

Langton Green Primary School and Broadwater Down Primary School operate an approved Corporate OneCard in accordance with the LA guidance.

| | **Approved users:** | **Credit limit:** | **Single Purchase limit:** |
|---|---|---|---|
| Langton Green Primary School | Alex Cornelius | £2000 | £1000 |
| | Pam Gibbs | £2000 | £1000 |

| | **Approved users:** | **Credit limit** | **Single Purchase limit:** |
|---|---|---|---|
| Broadwater Primary School | Alex Cornelius | £1000 | £1000 |

The approved users are: Alex Cornelius and Pam Gibbs. The monthly card limit is £2,000

### 3.14 Fraud and Irregularities

All schools must have a robust system of controls to safeguard themselves against fraudulent or improper use of public money and assets. Schools must ensure they have

- An Anti-Fraud, Bribery and Corruption Policy
- A Whistleblowing policy
- A Gifts and Hospitality policy (with annually completed register)

### 3.15 Data Protection

Langton Green Primary School and Broadwater Down Primary School (as Data Controller) adhere to the GDPR and the Data Protection Act 2018 including paying a data protection fee to the Information Commissioners Office (ICO). Langton Green Primary School pays £73 and Broadwater Down Primary School £35 as determined by the ICO**.**

### 3.16 Information Systems

High Rocks Federation 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 High Rocks Federation, the School Business Manager is trained in the use of the finance software and financial administration procedures. We also purchase a support contract through the Schools Financial Services which is reviewed on an annual basis, allowing us the option to purchase additional support, if required.

**Signed:** ..... **Date:** .....
(Chair of Governors)

**Signed:** ..... **Date:** .....
(Chair of Resources Committee)

**Signed:** ..... **Date:** .....
(Headteacher)