



Platt C.E Primary School

Finance Policy

Introduction

The Governors of Platt 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 which all Governors and staff will operate within.

This policy has been drawn up in accordance with the Local Authority's Scheme for Financing Schools and the Audit Commission documents, *Keeping your Balance* and *Getting the Best from your Budget*.

Principles

Platt 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 school will apply the four best value principles in its management and allocation of resources, being;

Compare - comparing our performance with that of other schools

Challenge - challenging if our performance is high enough and why and how a service is being provided

Compete - demonstrating how we secure economic, efficient and effective services

Consult - seeking the views of staff and parents about the services we provide

- The school will establish sound internal financial controls, based on the Authority's Budget Book 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 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 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:

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 and recorded. Banking shall take place at least weekly or more frequently if receipts exceed £150. Monies banked will be checked by the Head Teacher against school records.

The operation of the bank account and the reconciliation of bank balances with the accounting records are properly controlled

The School Enrichment Fund and any other non-public funds are administered as rigorously as public funds

Any suspected irregularity will be reported immediately to the Authority's Head of Audit and Risk

The school will adhere to current Data Protection legislation

Appropriate training in financial administration will be given to office staff to enable cover at all times.

Delegated Authority

Putting policy into Practice

The **Governing Body** of Platt Primary School 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 Enrichment Fund).

The **Resources Committee** is 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 Improvement Plan, for approval by the Full Governing Body

To review annually the Finance Policy and agree levels of delegation for approval by the Full Governing Body

To review and approve the Charging Policy every 2 years

To make decisions in respect of service agreements and insurance

To advise the Full Governing Body of any consultations to change the Local Authority Scheme for Financing Schools

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

Evaluate and recommend the annual Best Value Statement and present to the Full Governing Body

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 Headteacher and this delegation should be documented in the finance policy.

The Best Value Principles

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

Internal Financial Controls

The internal financial controls operated by Platt Primary School follow the controls set out in the Authority's Scheme for Financing Schools and the Budget Book. Any additional internal financial controls included within the school's financial procedures are reviewed by the finance committee and ratified by the Governing Body.

Financial Links to the School Improvement Plan

The School Improvement Plan for Platt Primary School links to our financial strategy.

Monitoring and Virements

Platt 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 a monthly internal monitoring procedure, copied to the Chair of the Resources

which reports, as required, to the Governing Body. 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 £5,000 - The Headteacher, reported to the Resources Team

Virements up to £10,000 – The Resources Team

Virements over £10,000 – The full Governing Body

Insurance

Platt Primary School is insured through the Kent County Council 'Safe Hands' Scheme (buildings and contents) and Towergate (staff supply teacher insurance)

Platt Primary School recognises that cash is not insured through the Authority's Insurance Policy.

Purchasing

At Platt Primary School, budgets are delegated to Subject Leaders and co-ordinator, Budget holders prepare a 'needs budget' for their area of responsibility, which is approved by the Headteacher in line with the priority needs of the school and the School Improvement Plan.

All staff adhere to the school procedures for purchasing items, paying 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, namely:

For orders in excess of £5,000, but less than £10,000, three written quotations are sought and submitted to the Resources Committee for consideration

For orders in excess of £10,000, three written tenders are sought and submitted to the full Governing Body for consideration

For orders in excess of £50,000, three invitations to tender are obtained through public notice.

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 £1,000, as a matter of course.

The school does not enter into Hire Purchase agreements, Finance agreements or Finance leases.

Personnel Matters

At Platt Primary School, at the start of every financial year the Headteacher uses the three year salary calculator provided in Kent Trust Web 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 Resources Committee undertakes an annual review of all salaries and recommends enhancements, if applicable, for the Headteacher and Deputy Headteacher, in accordance with the Governors' Pay Policy. Any recommendations are submitted to the main Governing Body for approval and ratification and the details are recorded as a confidential item in the minutes.

Payroll Matters

The payroll provider at Platt Primary School is Capita Business Services Ltd, who provides payroll services to the specification laid down by the Authority. The Headteacher signs off the monthly payroll reports once they have been checked for accuracy.

Safeguard of Stocks, Stores and Assets

All staff at Platt Primary School are responsible for the security of school assets. Co-ordinators, subject teachers and class leaders safeguard their assets and the caretaker and ICT technician maintain an asset register of significant items, which is checked at least on an annual basis and certified by the Headteacher. Other school assets are recorded on a general asset register, maintained and updated by the school office.

Where assets are written off and disposed of, the Resources 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 Platt Primary School, the Charging and Lettings Policies are reviewed every 2 years by the Resources Team and agreed by the Full 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, these will be referred to the Area Principal Accountant for authorisation. Approval to write off debts over £1,000 is required in writing from the CFE Finance Manager.

level of cash to be held in school at any one time as £100. Cash will be recorded and banked promptly at all times.

The School Bank Account

Platt Primary School operates its school bank accounts in accordance with the regulations in the Authority's Scheme for Financing Schools and the guidance in the Budget Book. 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, as a matter of course.

Bank statements at Platt Primary School 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

Platt Primary School does not keep Petty Cash.

Purchase Cards

Platt CE Primary School operates an approved Purchase Card in accordance with the guidance in the LA's Budget Book. The approved user is the headteacher. The Purchase Card will be kept in a locked filing cabinet at all times when not in use. Monthly Purchase Card statements must be copied to the Chair of Governors and Vice Chair. Personal credit cards will not be used for the purchase of items for the school with the exception of an emergency.

Governors' Funds

The Governors are responsible for maintaining and operating the Governors' funds. These funds are established in order to contribute towards capital projects as required by Rochester Diocese, the new school project and also to cover necessary Governor expenses. The funds are inspected annually by a competent person.

Within the governors' funds are monies ring-fenced for the enrichment of the curriculum, the Enrichment Fund. Parents make voluntary contributions to the Enrichment Fund annually. The money is used to make a donation towards activities that enrich the curriculum but are not able to be funded from the school budget. It is the intention that this fund is spent during the academic year in which the donations are received.

Irregularities

All staff at Platt Primary School are aware of the Authority's Whistleblowing procedure. 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 our processing, storage and disclosure of data procedures, which are covered by this legislation. To this end, we have 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 Platt Primary School, we employ a KCC Finance officer (a support contract through the Authority's Area Finance) and reviewed annually who is trained in the use of the finance software and financial administration procedures.