

# St. Saviour's Church of England Junior Finance Policy

## St Saviour's Church of England Junior School

**Policy:** Finance Policy

**Review Period:** Annual

**Ratified by Governing Body:** Reviewed and ratified April 2024

**Date of next review:** April 2025

### 1. Introduction

The Governors of St Saviour's Junior 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 with reference to the Authority's Scheme for Financing Schools and the Audit Commission documents, *Keeping your Balance* and *Getting the Best from your Budget*.

### 2. Principles

St Saviour's Junior 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 establish sound internal financial controls, based on the Authority's Budget Manual 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 Development 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.

### 3. Putting Policy into Practice

#### 3.1 Delegated Authority

The **Governing Body** of St Saviour's Junior 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 Voluntary Fund).

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

- Strategic planning
- Providing policy options for the Governing Body
- Recommending to FGB approval of the first formal budget plan each year
- Monitoring of the financial position of the school on a regular basis (at least three times a year)
- Authorisation of virements over £10,000 but less than £20,000
- Tenders for Contract Services
- Keeping in-school financial procedures under review
- Maintenance and review of this policy
- Ensuring links to the School Development Plan
- Reviewing annually the Statement of Internal Control
- Reviewing the Charging & Remissions Policy.

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

#### 3.2 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

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 petty cash is strictly controlled
- The use of a One Card (was Corporate Card) is strictly controlled
- Personal debit and credit cards should never be used for school expenditure
- 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

### **3.3 Internal Financial Controls**

The internal financial controls operated by St Saviour's Junior School follow the controls set out in the Authority's Financial Regulations and the Budget Manual. Any additional internal financial controls included within the school's financial procedures are reviewed by the Resources Team and ratified by the Governing Body.

### **3.4 Financial Links to the School Development Plan**

The School Development Plan for St Saviour's Junior School links to our three strategic areas for resource management.

Curriculum is the responsibility of the Learning and Development Team and is drawn up following a review of the school's curriculum strengths and areas where improvements are needed. Any improvements are costed to give short-term and long-term estimates of the resources needed to bring about the required development.

Staffing needs feed from the curriculum strengths and areas for development. Reviewed by the Resources Team to assess the resource needs of the school in providing the planned staffing levels.

Premises planning is produced by the Headteacher and Resources Team and records maintenance and development costs. It feeds into the curriculum development plan, being influenced by pupil numbers and class organisation.

### **3.5 Monitoring and Virements**

St. Saviour's Church of England Junior School recognises that the regular monitoring of income and expenditure against the agreed budget is central to effective financial management. To this end, the Bursar and KCC adviser carry out a monthly internal monitoring procedure, copied to the Chair of the Finance Committee (Steve Lancaster). A monitoring report is taken to all meetings of the Finance 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.

Monthly monitoring takes place with a school financial services advisor. These extra meetings take place three times per year and another three sets of monthly monitoring results are discussed at scheduled Resources Team meetings. All discussions are then fed back to Full Governing Body Meetings.

On occasions, virements may need to be carried out. Virements to be approved:  
Virements up to £8,000 - The Headteacher, reported to the Resources Team

Virements up to £20,000 – The Resources Team

Virements over £20,000 – The full Governing Body

Permission will be sought from the Diocese of Canterbury if building works - which cost more than £10,000 and alter the fabric of the building – are planned.

### **3.6 Insurance**

St Saviour's Junior School is insured through the Kent County Council insurance scheme with relevant cover, as identified by the schedule received from the Authority's Insurance section.

St Saviour's Junior School recognises that cash is not insured through the Authority's Insurance policy.

### **3.7 Purchasing**

At St Saviour's Junior School, budgets are not delegated to key stage co-ordinators and class teachers. Year Group Leaders or Subject Leaders request resources from the Headteacher or Deputy Headteacher; requests are approved or declined by judging the cost versus impact of the request. The governing principle is always that expenditure should have a clear, positive impact on standards reached by children.

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 or Deputy Headteacher authorise 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 ([www.kent.gov.uk/publications/business/cop-tenders-and-contracts.htm](http://www.kent.gov.uk/publications/business/cop-tenders-and-contracts.htm)), in summary:

- ❑ For orders in excess of £8,000, but less than £20,000, three written quotations are obtained and submitted to the Resources Team for consideration. Three written quotations will also be obtained – when practicable – for orders over £1000
- ❑ For orders in excess of £20,000, no fewer than three competitive tenders are sought and submitted to the full Governing Body for consideration

All of the above will be minuted at the appropriate team or full 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 practicable that quotations are sought for all purchases over £1,000, as a matter of course.

The school does not enter into Lease/Purchase agreements and any lease agreements are submitted to the Authority's Corporate Accounts and Treasury Management Section for approval, prior to signing.

Four One cards are held, by the Headteacher (credit limit £5k), the Bursar (£5k), the Deputy Headteacher (£3k), FLO (£3k). Individual transaction limits: HT £3000, DHT / Bursar / FLO £1000

- Please note that neither cash or personal debit / credit cards can be used for the purchase of items for the school as they can be regarded as borrowing. If a school believes that the use of a personal card is the only viable option to make a purchase, they must secure written permission from Schools Financial Service prior to its use.

### **3.8 Personnel Matters**

At St Saviour's Junior School, at the start of every financial year the School Bursar and Headteacher use KCC budget planning software to calculate the salary costs of all members of staff, including increments, where applicable. These details are used by the Resources Team for incorporation into the school budget planning process.

The Resources Team undertakes an annual review of all salaries and in the case of the Headteacher, the Performance Management Committee has delegated authority to make decisions and award pay increments within the agreed budget. Any pay award exceeding the agreed budget must be recommended to the Full Governing Body for approval.

### **3.9 Payroll Matters**

The payroll provider at St Saviour's Junior School is Capita Business Services Ltd who provides payroll services to the specification laid down by the Authority. The Headteacher, or Deputy Headteacher, signs off the monthly payroll reports once they have been checked for accuracy.

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

All staff at St Saviour's Junior School are responsible for the security of school assets. Subject leaders and class teachers safeguard their assets. The asset register is maintained on a day to day basis by the IT network manager, which is checked at least on an annual basis and certified by the Headteacher. All school assets are recorded on a general asset register, maintained and updated by the IT network manager.

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 Team 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.

### **3.11 Income**

At St Saviour's Junior School, 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, these will be referred to the Area Principal Accountant for authorisation. Approval to write off debts over £1,000 is required in writing from KCC Financial Services.

In accordance with advice from KCC Schools Financial Services, banking of cash will take place at least weekly and more frequently if necessary. The governing body has stipulated that the maximum amount of cash to be held in school is £1000, above which, monies must be banked, regardless of when the last banking took place. Monies banked must be checked and signed-off by the Headteacher or Deputy Headteacher.

### **3.12 The School Bank Account**

St. Saviour's Church of England Junior 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 Schools Financial Services, as a matter of course.

St. Saviour's Church of England Junior School pays suppliers/invoices via cheque, ensuring it adheres to all financial controls within the Scheme for Financing Schools.

Bank statements at St. Saviour's Church of England Junior School are received/printed out on at least a monthly basis and reconciled in accordance with LA guidelines. The Headteacher or designated deputy signs and dates.

### **3.13 Petty Cash**

Petty Cash is no longer

### **The Voluntary Fund**

**The school does not currently operate a Voluntary Fund. However, if the school decided to operate one in the future the KCC model statement would be adopted.**

### **3.14 Irregularities**

All staff at St Saviour's Junior School are aware of the school's Whistle Blowing policy, which allows members of staff to raise concerns in confidence, providing for a thorough investigation of any suspected irregularity. These details are available to staff in their staff handbook.

### **3.15 Data Protection**

Under the terms GDPR, the Headteacher and Governing Body are required to notify the IC 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.

### **3.16 Financial Administration**

At St Saviour's Junior School, one member of staff is trained in the use of the finance software and financial administration procedures.

In the absence of the Bursar for period in excess of two weeks or at particular points in the financial year e.g. year end closedown, we would use staff expertise purchased through the Authority's Finance Trading and Contract Management team.

We currently purchase a support contract through the Authority's Finance Trading and Contract Management team, which is reviewed on an annual basis, allowing us the option to purchase additional area support, as required.