

# Little Stoke Primary School

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## Finance Policy

Signed:	Anne Sargent (Head Teacher)	
	Stuart Mills (Chair of Finance and Buildings)	
Reviewed	December 2020	
Next Review	December 2021	

## LITTLE STOKE PRIMARY SCHOOL



### FINANCE POLICY

#### **Rationale:**

The Governing Body, Headteacher and staff of the school will endeavour to achieve value for money within a system of accountability. The school budget, in quantitative terms, will complement the school development plan, both long term and short term.

#### **Guidelines:**

##### **1. ORGANISATION OF RESPONSIBILITY AND ACCOUNTABILITY**

See attached Schedule of Delegated Authority for the roles of the Governing Body.

The Governing Body has delegated to the Headteacher the day to day running of the school budget. The Chair of Governors is consulted during his/her regular visits.

The Chair of the Finance & Buildings committee and Chair of the Governors are given regular budget print-outs, and consulted by the Headteacher over any larger items of expenditure or unplanned, unexpected or emergency expenditures.

The Governing Body and staff will be consulted regularly to establish any pecuniary interests, mainly relating to the School Development plan which will be recorded.

The internal control system for finances is available to the Governing Body and any officer of the LA or DCFS to inspect.

The Headteacher accepts responsibility to the Governing Body and LA for implementation of financial regulations.

##### **2. THE BUDGET**

The School Development Plan reflects the financial planning for the school.

The Finance & Buildings Committee are advised by the Headteacher in February annually and a provisional budget is set. The budget is then adjusted as necessary upon receipt of the Final Formula in April/May annually and submitted to the LA for checking. The budget is ratified by the Governing Body at the next Governors meeting. Staff are consulted about allocations for areas within the School Development Plan which is then drawn up for the following school year, including forward planning.

Planned expenditure is within the allocated budget, with an element for contingencies and inflation, where the allocation allows for this.

Historical evidence is used to support the planning of costs, contracts and supplies and services.

The Governing Body is informed termly on spending and commitment accounting via Finance & Buildings Committee reports. Details of specific budget areas can be given on request as can information to promote understanding and accountability. Significant changes are also reported to the Governing Body.

##### **3. INTERNAL FINANCIAL CONTROL**

The Governing Body has delegated control of the budget to the Headteacher. The Business Manager is responsible, with the Headteacher (and Deputy Head where appropriate), for all commitment accounting (receipts and payments) which are administered through a computerised system set up by the LA. All transactions are recorded on the computer system and documentation is available to the Governing Body or authorised officer of the LA, Ofsted or DFE. The Headteacher and Business Manager have received training in some procedures and can telephone the Authority helpline when guidance is required.

Accounting records are retained for the LA approved periods.

Head has delegated powers to spend up to £6,000 on any individual item. Expenditure outside of this must be referred to the full governing body via the Finance and Buildings Committee as set out in the 'Terms of Reference for Financial Responsibilities'.

#### 4. **INSURANCE**

Insurance arrangements for the school site are made through the Local Authority 'pool system' with Zurich Municipal.

Insurance arrangements to cover staff absence caused by sickness and accident is arranged with commercial insurers. The policy is renewed annually in accordance with the school's purchasing policy. All claims incidents are logged and accurate records retained to ensure re-imburement by insurers.

An inventory is kept.

The LA is informed of accidents, losses or other incidents and insurance claims are made in line with LA procedures by the Business Manager.

#### 5. **COMPUTER SYSTEMS**

The school is registered in accordance with the Data Protection Act 1994 for the computer based management system.

Computer data is backed up remotely by South Glos. IT department in accordance with their procedures. Only authorised staff have access to computer hardware and software used for management purposes.

#### 6. **PURCHASING**

The School seeks to obtain the best value for money by comparing prices for resources. Tenders, estimates, quotations are obtained when appropriate. The Headteacher, Chair of Governors and the Chair of the Finance & Buildings Committee discuss acceptance of such and keep the Governing Body informed.

The Governors of Little Stoke Primary are committed to achieving Best Value in all decisions made. We use the principles of Best Value as they apply to securing continuous improvement in this school and will:

- ◇ regularly review the functions of the school, challenging how and why services are provided and setting targets and performance indicators for improvement
- ◇ monitor outcomes and compare performance with similar schools and within the school itself
- ◇ consult appropriate stakeholders before major decisions are made; and
- ◇ promote fair competition through quotations and tenders to ensure that goods and services are secured in the most economic, efficient and effective way
- ◇ strive to ensure that the school is using its resources effectively to meet the needs of pupils.

##### **Tenders [in line with South Glos suggested policy]**

- **Purchase of items over £6,000** – Three written quotes are required (against specification provided). Evidence of contacting suppliers is required where refusal to quote has resulted in only one quote)
- **Full tendering is required for expenditure over £75,000**

Advice is sought from South Gloucestershire Property Consultancy. There is close liaison and their expertise and advice is valued.

##### **Ordering of items**

The Headteacher will authorise the order and the Business Manager will enter the order on the computer system in line with LA training.

The Budget is monitored through the data provided from the school computer, linked to the 'Civica' system and Schools' HCSS system.

Goods and services are checked to ensure they are in accordance with orders and all appropriate records are maintained by the Business Manager. Payments are made on proper invoices which are checked, and certified for payment by the LA payments department. These are cross-referenced to the order number and

checked for accordance to quotations/tenders/contracts and correct pricing. VAT is recorded, discounts obtained where available. Payments are made by the County Treasurer and specimen signatures have been forwarded to the LA. The computer system shows details of paid invoices and dates (when the reconciliations have been carried out by the Authority).

### **Purchasing Cards**

Purchasing cards will only be issued following the approval of the Chair of Governors and Chair of Finance and Buildings Committee with maximum credit limits and transactions limits agreed. Procedures in the use of the purchasing cards will follow the guidelines in South Gloucestershire Schools Procedures Guide. These guidelines will be issued to each card holder and the rules contained within this manual regarding the use of the card must not be breached. Records will be maintained by the School Business Manager and authorised by the Headteacher and, in the case of the Headteacher's purchasing card, authorised by the Chair of Finance and Buildings Committee.

## **7. PERSONNEL**

The Governing Body is responsible for ensuring that the administration of appointments, terminations and promotions is correctly managed.

The Headteacher is responsible for completing, checking and authorising all documents relating to appointments, terminations of employment and expenses in consultation with the Chair of Governors and Chair of Finance and Buildings Committee. The payroll is administered by the LA.

Personnel records are kept in a locked filing cabinet. The computer-based records are held in accordance with the provisions of the Data Protection Act. Records are available only to appropriately authorised personnel.

All appointments are made in accordance with South Gloucestershire Council & DFES 'Safe Practices'

## **8. SECURITY OF STOCKS AND OTHER PROPERTY**

The Headteacher is responsible to the Governing Body for safe custody and control of the cash and property belonging to the school. Such stocks are maintained at appropriate levels and subject to regular checking (usually carried out by clerical staff). Inventories are maintained and checked annually by the Business Manager and the Chair of Finance & Buildings Committee will perform a termly spot check. The school has a full alarm system. Audiovisual equipment is marked and where appropriate securely fixed or housed in secure areas (locked store cupboards, secure strong room).

School equipment being taken off the school site is recorded in a book.

The Chair of Governors authorises all write-offs and disposals of surplus/obsolete equipment in the inventory in accordance with LA/DCFS regulations.

The school safe is kept locked. Keys are held by the Headteacher (or Deputy Head when appropriate), and Business Manager and kept on their persons.

## **9. INCOME**

The school has a Charging Remissions Policy and this is included in the school brochure. The Headteacher accepts responsibility to the Governing Body for the accounting of all income and cash collected. The responsibility for handling income/cash collected, and recording is delegated to the School Business Manager.

Invoices are issued as necessary and all formal documentation maintained including receipts and records.

Cash and cheques are locked in a secure area, and monies deposited in bank accounts promptly.

Personal cheques are not cashed.

An accounting system for income is maintained and paying in slips show the split of cash and cheques, in accordance with the LA regulations and requirements. Advice is obtained from the LA for procedures relating to the rare occurrences of debts.

Extended Schools income is managed by the Breakfast Club/After School Leaders. Registers are maintained by the Leader and accounting system by the Administrative Assistant and are monitored regularly by the School Business Manager. All income is kept locked in a secure area and banking of income is carried out by the office promptly.

The school uses the on line School Money System to receive on line payments for dinner money, breakfast club, trips and camp.

**10. BANKING ARRANGEMENTS**

School dinner money is dealt with by the School Office.

The school holds bank accounts as follows:

School Fund: Current account with Lloyds Bank. Imprest account: (£300 limit) with National Westminster Bank (by arrangement through County Treasurer).

Authorised signatures are as follows: (2 of 4) Headteacher/ Business Manager/Deputy Head.

Cheques are all crossed "account payee only" and manuscript signatures only used. Cheque books are kept in a locked secure area.

The school does not have facilities for an overdrawn account. Bank statements are obtained approximately monthly and checked and audited annually by an independent person.

**11. PETTY CASH**

The petty cash fund (Imprest account) is authorised and approved by the LA and set at a limit of £300. The Business Manager administers the petty cash account, with the authorisation of the Headteacher. Petty cash is related to minor items for which there is proper authority and provision in the budget. A cheque book for the payment of small items of services is held on the Imprest account.

Records are kept including receipts and vouchers, identification of VAT. Cash is kept in the school safe. All documentation concerning cash balances is available to authorised officers of the LA and DCSF.

Regular claims for reimbursement of the float are made to the LA after proper certification by the Headteacher.

Personal cheques are not encashed.

The school operates a petty cash voucher scheme for claims on petty cash or school fund. Vouchers must be completed for all transactions.

**12. VOLUNTARY FUNDS**

The school fund account is administered by the Business Manager and audited annually by an independent person of suitable qualification. Accounting procedures are maintained. An audit certificate is forwarded to the LA and made available publicly, and submitted to the Governing Body.

Voluntary funds (school fund) are separated from the official school budget.

Date revised: 2<sup>nd</sup> December 2020 FGB

Signed (Chair of Governors) \_\_\_\_\_ Date \_\_\_\_\_