LANGDON

PRIMARY SCHOOL

Finance Policy

Created Autumn 2024

Agreed by the Governing Body 16.10.24

Due for review Autumn 2026

1. Introduction

The Governors of Langdon 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 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

Langdon Primary School Finance Policy will adhere to the following principles;

- The responsibilities of the Governing Body, its teams, the 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 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 strategic 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 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 a NatWest **one**card 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 ***Governing Body*** of Langdon Primary School 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 ***Governing Body*** of Langdon Primary School 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 **Governing Body** is responsible for the following aspects of financial management:

- To review the Finance Policy and agree and approve levels of delegation
- Evaluate and approve the three year budget plan, which shows clear links to the School Improvement Plan
- To review and approve the Charging and Remissions Policy
- To review and approve a Pay Policy
- To make decisions in respect of service agreements and insurance
- To respond to any consultations to change the LA Scheme for Financing Schools
- To monitor the out turn position noting and accounting for any significant variances
- Consider any proposed virements
- Evaluate and report on Tenders for Contract Services
- Keeping in-school financial procedures under review
- Benchmark the school's financial performance

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 is delegated to the school Bursar.

3.2 Internal Financial Controls

The internal financial controls operated by Langdon Primary School follow the controls set out in the LA's Scheme for Financing Schools detailed on the KCC Kelsi website.

3.3 Financial Links to the School Strategic Plan

The school's strategic School Improvement Plan has sufficient scope and depth of financial implications and it is reflected in the school's three year budget plan.

3.4 Monitoring and Virements

Langdon 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 members of the Full Governing Body. A monitoring report is taken to all Governing Body Meetings. 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 afterwards. This will ensure they have an up-to-date position of the school's finances.

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

Virements up to £8,000 - The Headteacher, reported to the Full Governing Body

Virements over £8,000 – The Full Governing Body

3.5 Insurance

Langdon Primary School is insured through ***the Kent County Council 'Safe Hands' Scheme*** with relevant cover, as identified by the schedule received from the LA's Insurance section.

3.6 Purchasing

At Langdon Primary School, some budgets are delegated to curriculum leaders and/or class teachers. The Headteacher and budget holders jointly determine budgets based on the needs of the areas of responsibilities which are 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 authorises all orders and invoices prior to payment.

Where the school purchases large items, we adhere to the procedure for Spending the Council's Money as laid down in the Scheme for Financing Schools, in summary:

- For purchases up to £24,999 one written quotation.
- For purchases of £25,000 and up to the current public procurement threshold, three written quotations are obtained and submitted to the Full Governing Body for approval according to the TOR responsibilities.
- For purchases above the public procurement threshold for goods and services, or above £1m for works, a tendering procedure compliant with public procurement regulations is required.

All of the above will be reported and minuted at the 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 at least 2 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 as this constitutes borrowing which is not permitted.

3.7 Personnel Matters

At Langdon Primary School, at the start of every financial year the Headteacher and Bursar use the BPS planning tool to calculate the salary costs of all members of staff, including increments, where applicable. These details are used by the Governing Body for incorporation into the school budget planning process.

The Head Teacher's Performance Review panel undertakes an annual review of the 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 Pay Policy and reports to the Governors Pay Panel for approval.

Details of all salaries are recorded as a confidential item in the minutes.

3.8 Payroll Matters

The payroll provider at Langdon Primary School is SPS Interpay who provide 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 by the Bursar.

3.9 Safeguard of Stocks, Stores and Assets

All staff at Langdon Primary School are responsible for the security of school assets. Staff and teachers safeguard their assets and the Office Manager maintains the asset register, which is checked at least on an annual basis and certified by the Head Teacher.

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

The Governing Body is made aware when assets are written off and disposed of through the process of monitoring of the Asset Register. The Full Governing Body approves any disposal and the agreement is recorded in the minutes of their next meeting.

Where school assets with a value in excess of £100 are loaned to staff or pupils, a loans record is completed and signed upon borrowing the item and again upon the item's return.

3.10 Income

At Langdon Primary School, the Charging Policy is reviewed and updated every two years.

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 £1000. Approval to write off debts over £1,000 is required in writing from the LA Finance Business Partner CYPE.

Since the LA does not insure for cash held on the school premises, we have agreed a level of cash to be held in school at any one time as £200. Cash will be receipted, recorded and banked promptly at all times. Cash will be held in the school safe overnight.

3.11 The School Bank Account

Langdon Primary School operates its school bank account in accordance with the regulations in the LA's Finance 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.

Suppliers and invoices are paid via BACS or cheque ensuring that this adheres to all financial controls within the Scheme for Financing Schools.

Bank statements at Langdon Primary School are received on a monthly basis and reconciled to the school's local system immediately. The Headteacher signs and dates the bank statement when the reconciliation has been checked.

3.12 Petty Cash

We do not have petty cash on site.

3.13 NatWest onecard

Staff **must not** use their own cash, personal debit or credit cards for the purchase of any items for the school.

Personal reward cards **must not** be used in conjunction with any school purchases.

Langdon Primary School operates an approved **one**card in accordance with the LA guidance. The approved users are:

- The Headteacher - the monthly card limit is £750
- The Office Manager - the monthly card limit is £750
- The Breakfast Club Leader - the monthly card limit is £250
- The Site Manager - the monthly card limit is £500

3.14 The Voluntary Fund

The School does not run a Voluntary Fund.

3.15 Fraud and Irregularities

All staff at Langdon Primary School are aware of the school Whistleblowing Policy. These details are available to staff on the school website or from the staff room.

3.16 Data Protection

Langdon Primary School (as Data Controller) adheres to the GDPR and the Data Protection Act 2018 including paying a data protection fee to the Information Commissioners Office (ICO). The school's designated Data Protection Officer is Lynn Paylor Sutton, Head Teacher.

3.17 Information Systems

Langdon Primary School 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.

3.18 Financial Administration

At Langdon Primary School, two members of staff are trained in the use of the finance software and financial administration procedures, in the event of staff absence. We also purchase a support contract through Schools Financial Services which is reviewed on an annual basis allowing up the option to purchase additional support, if required.