

# *The Pilgrim School (a Church of England Primary with Nursery)*

## **Finance Policy**

Date agreed by governors: March 2019

Review Date: Spring 2020

Signed: (see original) Date:



The following document has been drawn up to define the responsibilities of the Local Governing Body, Headteacher and staff, and to state the financial controls used in administering the school budget to be presented to the Trustee Finance Committee.

**RESPONSIBILITIES** *(Read in conjunction with The Pilgrim School Scheme of Delegation and The MAT Financial Procedures Manual)*

The Governing Body has the following areas of responsibility - Pupil Welfare, Curriculum, Environment, Buildings, Finance and Personnel

### **DELEGATED AUTHORITY**

The LGB has the authority to discuss their designated areas and prepare plans accordingly. Each meeting is minuted and copies of the minutes are circulated to all governors and trustees. Where there are financial or budgetary implications the matter will be referred to the Trustee Finance Committee for approval.

The Headteacher has the responsibility for the day-to-day financial management of the school. The following financial responsibilities have been delegated with the approval of the Local Governing Body.

1. The Headteacher can spend up to £5,000 on a single item without reference to the Governing Body and £5,000 - £10,000 in agreement with the Chair of Governors.
2. Procurements for ongoing contracts with a yearly budgetary implication of more than £10,000 to be reviewed on an annual basis.
3. The senior leadership team will be responsible for allocating the funds to the various resources and projects.

The Board of Trustees has decided that the following level of competition is required for all major purchases: -

Two or more quotations will always be obtained for (Documentation should record reasons for a quote being accepted):

1. Purchases over £2,500.
2. Formal tenders over £10,000 would need Trust Board approval. *(See the MAT Tendering and Procurement Policy)*

Service contracts are monitored by the Headteacher/Office Manager/Finance Officer to ensure that they are delivered in accordance with the contract specification.

### **BUDGET PLANNING**

The budget will be based on the School Development Plan, then historical costings, and finally inflation as perceived by the staff/governors and as stated in the School Development Plan. Initial plans will begin in the Spring and will be finalised on receipt of the final budget before being submitted to the LGB for recommendation for approval to The Trust Board. SIMS/BPS facilities are used for planning, monitoring and reporting. The annual budget is formally ratified by the Local Governing Body in June/July and formally minuted. The LGB is responsible for monitoring the budget and this is reported to Trustees.

Governors will need to take account of the changing nature of the school and the impact this will have on budgets.

### **FINANCIAL CONTROLS**

To ensure financial accuracy the following controls have been established: -

1. All orders are authorised by the Headteacher/nominated senior leader before being passed to the MAT business manager for processing.
2. When goods are received, deliveries are checked and delivery notes signed. These are filed in alphabetical order and then attached to the invoice when received.
3. Invoices and cheques for payment are signed by 2 signatories.
4. Accounts shall be monitored to identify unpaid debts, at least monthly, a repeat invoice is sent a month after the date of the original invoice. If an invoice remains unpaid after three months, governors will consider taking legal action. If the governors decide that legal action would not be successful or cost-effective the debt will be written off.
5. The school delegated finances are held at the National Westminster Bank plc, Chatham High Street, Kent and the bank account is used solely for delegated budget expenditure. A proportion of the budget is paid into the bank account each month from Multi Academy Trust centralised account. Some payments still come via the local authority e.g. FSM and early Years funding.

### **INSURANCE**

The school is covered by the government's RPA insurance. A breakdown of the insurance cover is available in school. The school does not have non-directed lettings. PTFA lettings are covered under the RPA insurance for directed lettings.

### **COMPUTER DATA**

The school is registered under the Data Protection Act 1998 and complies with GDPR. Data is backed up every day remotely by EIS.

### **PURCHASING AGREEMENTS**

Commercial Services are used mainly for purchasing school stock unless goods of equal standards can be obtained from other sources. It is the responsibility of the member of staff drawing up orders to ensure value for money. Contract tendering procedures are as laid down by the by the central MAT Tendering and Procurement Policy. Advice will be obtained from the CEO/ trustees at all times.

## **PERSONNEL**

All staff changes are updated on the computer BPS/SIMS systems and the Trust's payroll provided advised accordingly. The staffing structure and its affordability needs are reviewed annually and the outcome is considered by the Local Governing Body, minuted accordingly and overseen by the Board of Trustees.

Staff files are kept in a locked filing cabinet in the school office. Only Senior staff and the Office Manager has access to SIMS/Personnel and the passwords are changed when appropriate.

There is a process for authorising, recording and monitoring the annual leave of the Pastoral Care Manager and all non-teaching staff on 52 week contracts.

## **ASSETS**

The school asset register is stored digitally. All furniture items per area, single items above a value of £1000 and any other items regarded as desirable are listed in the asset register. All AVA equipment is listed together in one section. The inventory is updated as stock is received/ deleted. Stock is checked annually. Disposal of items £1000 or under are designated to the Headteacher/CEO; items over £1000 to be recorded as disposed.

## **SCHOOL INCOME**

The school has a charging policy and a lettings policy and these are reviewed on a regular basis. The Office carries out the banking of school money. Money is banked on a regular basis ensuring large sums of money are not kept on the premises.

## **BANK ACCOUNTS**

Cheques are not permitted to be pre-signed and cheque books are held in a locked cabinet in the MAT office. Bank statements received monthly are reconciled with records held at the school. The school may have a debit card or equivalent which is kept in the school safe.

Staff purchases of resources need to have pre-authorisation in order to be reimbursed.

## **PETTY CASH**

The school does not have Petty Cash.

## **SCHOOL FUNDS**

PTFA funds are held, administered and audited off site by the Parent, Teacher and Friends Association of The Pilgrim School and are not the responsibility of the school staff.