



The Federation of Carisbrooke CE & Newport CE Primary Schools

Finance Policy

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1 Governance

The governing body is responsible for ensuring that the school meets all obligations placed upon it by the Secretary of State. It is responsible for setting educational and financial priorities, and for ensuring the budget is managed effectively.

The roles and responsibilities (including any limits of delegated authority) of the governing body, its committees, the Executive headteacher and other staff in relation to financial decision making and administration are set out in The Scheme of Delegation.

The full governing body meets at least once every term (i.e. three times a year). All meetings will be minuted.

The governing body will agree with the Executive headteacher the minimum frequency, level of detail and general format of the financial information to be provided to it, especially in relation to budget monitoring reports.

The governing body will maintain a register of business interests of governors. They shall each complete a return on an annual basis, or during the year if personal circumstances change within that twelve month period.

2 Financial Planning

Each school's budget is set in line with the priorities detailed in the school development plan either before the beginning of the financial year (1st April) or as soon as possible thereafter.

The budget is the financial dimension of the school development plan. By identifying and allocating resources financial resources, the school prioritises its targets and objectives and facilitates the achievement of its educational aims.

Activity	Detailed Task	Responsibility and support
Planning the budget	To estimate allowance, income, grants, etc	Executive Headteacher SBM*
	To identify and propose priorities in relation to the SDP	EHT, SLT
	To review and propose changes in staffing needs	EHT, L&M committee
	To draft budget options	SBM
	To evaluate budget options	EHT, L&M Committee
	To prepare final draft budget	SBM & EHT

Approving the budget	To propose final draft budget	EHT
	To agree final draft budget	FGB
Monitoring & reviewing the budget	To generate reports within FMS & transfer the data to a spreadsheet on a monthly basis for L&M Committee, EHT and the LA	SBM
	Monitoring the spreadsheet	L&M committee
Virements	To recommend virements	SBM
	Virement approval & signature for FGB	EHT

*SBM = School Business Manager
EHT = Executive Headteacher

3 Purchasing *Mechanism for Authorisation of Spending*

The school is required to abide by the Council's Financial Regulations, Standing Orders in respect of purchasing, tendering and contract matters, where these do not contradict any other provisions of the Fair Funding Scheme or any statutory provision or EU Directive. Purchasing procedures are in place to ensure that the school follows the fundamental principles of probity, accountability and value for money.

The following proposals are intended to cover all spending on equipment, materials, and services for the School.

Authorisation

- Decisions on expenditure of up to £10,000 should be authorised by the Executive Headteacher without the need for further consultation and virements up to £10,000.
- Proposals for expenditure in excess of £10,000 should be referred by the Executive Headteacher to the Full Governing Body for approval and virements in excess of £10,000.

Tendering for Contracts and Equipment

- If the anticipated value of a contract or purchase is below £5000, the school does not need to obtain a set number of bids or quotes but will demonstrate value of money. Suppliers/contractors can be contacted directly either in person, over the phone or internet.
- If the anticipated value of a contract or purchase is between £5000 and £10000 the school will need to invite at least 2 written bids/quotation (Consider obtaining 3 quotes if difference between 2 quotes is greater than 100% of the lowest cost).

- If the anticipated value of a contract or purchase is between £10000 and £60000, the school will need to invite at least 3 written bids/quotations
- Contracts with a value of over £60000 must be subject to at least three competitive sealed tenders, the administration of which will follow the requirements in the Council's Standing Orders relating to Contracts for Schools.

These figures are stated in the latest Scheme for Financing Schools (latest release is still 15/16) issued by the Council to all schools. They are also subject to revision by the DfE at periodic intervals.

All decisions on expenditure will be made using the Best Value principles, whether these are for goods or services.

All contracts entered into will have detailed specifications defining the service to be provided in terms of its nature, quality standards, information & monitoring requirements and contract review procedures.

Official, pre-numbered orders will be used for all goods and services except utilities and rates. Where urgency requires a verbal order, this should be confirmed by an official order.

School staff and Governors will not use official orders to obtain goods or services for their private use.

Once generated by the Administrator, all orders will be signed as approved by the SBM, subject to the financial limitations, or by the Executive Headteacher / Head of School in their absence.

Invoices will be paid within the time limits specified in law for the payment of debts, and only once a valid invoice has been received, checked and certified for payment.

All invoices will be signed as approved by the Executive Headteacher or Head of school in their absence.

4 Financial Controls

The Executive Headteacher will ensure where possible, that duties relating to financial administration are distributed so at least two people are involved.

The Governing Body will ensure that proper accounting records are maintained and that all documents relating to financial transactions are retained for six full financial years. Relevant paperwork is manually archived, ie boxed up, labelled and stored in the loft space after year end.

The Executive Headteacher will ensure that all expenditure from sources of earmarked grants is accounted for separately and that the funding is used for its intended purpose. (i.e. pupil premium / sports premium)

The Executive Headteacher will ensure that all accounting records are securely retained when not in use and only accessed by authorised staff.

Debit Card

With the increasing use of internet purchasing, the Debit Card is used to secure increased value for money when purchasing resources for both the school's budget account and school fund account.

The card is issued by the school's main bank account holders, Lloyds for both Carisbrooke and Newport schools.

The overall control of the card usage is strictly monitored and only carried out within the school building.

The SBM is the only person that has a card issued in their name. The card is kept on site at all times and in the safe when not in use. Online purchases may be made by other staff, the card is always returned to the SBM and the relevant paperwork completed (see sample attached), together with a printout for the order.

No cash withdrawals are to be made against the debit card.

Lost or stolen cards are to be reported to the bank immediately.

Debit card payments are reconciled on the bank statements as part of the process for reconciliation; the debit card log sheet is updated accordingly each time the debit card is used for a transaction. Once the log sheet is full, it is scanned and electronically filed, to reduce the need for paper storage.

5 Income

The Governing Body will establish a charging policy for the supply of goods and services and review this on an annual basis.

Cash and cheques will, at all times, be securely locked away in the safe to safeguard against loss or theft.

Income will be paid into the appropriate bank account promptly and in full. Income records will show clearly the split between cash and cheques and list each cheque individually.

Income collections will not be used for the encashment of personal cheques or for other payments.

With income generated through Lettings, charges are reviewed as appropriate with the necessary paperwork completed.

6 Banking

Cash handling is kept to a minimum and placed in the safe once accounted for. A Courier service is used for banking on a fortnightly basis once all monies received are accounted for. Income from parents/carers is tracked on Tucasi for all pupil activities including trips, clubs, school meals, childcare etc. The database is only accessible for the admin staff.

Online Tucasi payments are reconciled against Worldpay statements, this should mirror the income on the bank statements. The credits are then coded to the appropriate ledger code on FMS by the SBM.

The school receives bank statements on a monthly basis and the SBM reconciles these accordingly; any discrepancies will be investigated.

All bank reconciliations will be signed, named and dated by the person performing the reconciliation (SBM) and then reviewed, countersigned and dated by the Executive Headteacher. These are held in the SBMs office, and then archived at year end, held with other paperwork, as mentioned in section 4.

School Fund account is externally audited within 6 months of year end and reported to the Leadership and Management committee with a copy to IWC Education Finance Team at County Hall.

Payments of invoices, etc are made by BACS through the school budget account by the SBM. The BACS run is checked and authorised by the Executive Headteacher, or Head of school in their absence, before the payment run is carried out through the online payment process with the bank. The SBM will ensure that all supporting documentation is always made available to signatories to safeguard against inappropriate expenditure.

The Executive Headteacher will ensure that any cheque drawn against the delegated budget bank account bears the signatures of two signatories authorised by the Governing Body.

The SBM will ensure that all chequebooks will be held in the safe at all times when not in use.

The Governing Body will ensure that school does not enter into any loan agreements, other than with the Council.

BANK ACCOUNT AND SIGNATORY INFORMATION

Carisbrooke CE Primary School (IWC)

Branch: Newport IOW

Requirement: Any two to sign (Executive Headteacher/SBM or Head of School)

Newport CE Primary School

Branch: Newport IOW

Requirement: Any two to sign (Executive Headteacher/SBM or Head of School)

7 Payroll

The Governing Body will maintain up-to-date procedures for the administration of personnel activities, including appointments, terminations and promotions.

All personnel documents, ie overtime forms, self-certified absence forms, etc are authorised by the SBM, as delegated by the Executive Headteacher will be signed by a member of staff approved by the Governing Body.

The Executive Headteacher will ensure that only authorised staff have access to the personnel files.

The SBM will ensure that current staff employed by the schools are maintained on SIMS, which will be updated promptly to reflect new starters and leavers.

The Executive Headteacher will ensure staff absences are recorded and monthly returns submitted to the school's Payroll via the Portal, this is delegated to the SBM. Staff absence is to be managed through the Staff Attendance Management Policy procedures. The Executive Headteacher will inform the governing body of any long term absence.

The SBM will review the payroll transactions for errors and/or omissions as part of the monthly reconciliation process. The monthly payroll final report will be checked and signed by the Executive Headteacher as evidence.

8 Best Value Statement

Introduction

The Governing Body is accountable for the way in which the school's resources are allocated to meet the objectives set out in the school's Development Plan. Governors need to secure the best possible outcome for pupils, in the most efficient and effective

way, at a reasonable cost. This will lead to continuous improvement in the school's achievements and services.

What Is Best Value?

Governors will apply the four principles of *best value*:

- **Challenge** - Is the school's performance high enough? Why and how is a service provided? Do we still need it? Can it be delivered differently? What do parents want?
- **Compare** - How does the school's pupil performance and financial performance compare with all schools? How does it compare with LA schools? How does it compare with similar schools?
- **Consult** - How does the school seek the views of stakeholders about the services the school provides?
- **Compete** - How does the school secure efficient and effective services? Are services of appropriate quality, economic?

The Governors' Approach

The Governors and School Leaders will apply the principles of *best value* when making decisions about:

- the allocation of resources to best promote the aims and values of the school
- the targeting of resources to best improve standards and the quality of provision
- the use of resources to best support the various educational needs of all pupils

Staffing

Governors and School Leaders will deploy staff to provide best value in terms of quality of teaching, quality of learning, adult-pupil ratio, and curriculum management.

Use of Premises

Governors and School Leaders will consider the allocation and use of teaching areas, support areas and communal areas, to provide the best environment for teaching & learning, for support services, and for communal access.

Use of Resources

Governors and School Leaders will deploy equipment, materials and services to provide pupils and staff with resources which support quality of teaching and learning.

Purchasing

Governors and School Leaders will develop procedures for assessing need, and obtaining goods and services which provide "best value" in terms of suitability, efficiency, time, and cost. Measures already in place include:

- competitive tendering procedures (e.g. for goods and services above £5,000)

- procedures for accepting “best value” quotes, which are not necessarily the cheapest (e.g. suitability for purpose and quality of workmanship)
- procedures which minimise office time by the purchase of goods or services under £1000 direct from known, reliable suppliers (e.g. stationery, small equipment).

Pupils' Welfare

Governors and School Leaders will review the quality of the school environment and the school ethos, in order to provide a supportive environment conducive to learning and recreation.

Health & Safety

Governors and School Leaders will review the quality of the school environment and equipment, carrying out risk assessments where appropriate, in order to provide a safe working environment for pupils, staff and visitors.

9 Tax

The Executive Headteacher in conjunction with the SBM will ensure that the school complies with Value Added Tax (VAT) and other tax regulations.

All relevant finance and administrative staff are aware of VAT and Income Tax regulations.

Only proper VAT invoices are to be paid.

All employee type payments (including expenses) are paid via the payroll system so that all income tax and national insurance deductions are properly made and accounted for.

10 Assets

The Executive Headteacher should ensure that stocks of materials and other usable resources are maintained at reasonable levels and subject to a physical check. This will help to ensure that educational work is not delayed because of unavailable resources and to guard against waste and loss.

The Executive Headteacher will ensure that the safe is kept locked, and the keys removed and held in a different location. The admin team are the only staff who know the location of the keys for access to the safe.

The Governing Body will maintain an on-going plan for the use, maintenance and development of the school's buildings.

11 Insurance

The Governing Body will notify their insurers, the Council of any new risks, which may require insurance, or of any other alteration affecting existing insurance.

The school will immediately inform its insurers, the Council or their agent of all accidents, losses and other incidents that may give rise to an insurance claim.

The Governing Body will ensure that insurance arrangements cover the use of school property (i.e. laptops or musical instruments) when off the premises.

12 Data Security

The Executive Headteacher and Governing Body will ensure that computer systems used for school management are protected by password security and only accessed by authorised staff.

The Executive Headteacher will ensure that data is backed up regularly and that all back-ups are securely held in a fireproof location. The SIMS/FMS data is currently copied and backed up every night then stored electronically off-site in a bunker in Bedford. This is managed by Redstor through Capita Services.

The Executive Headteacher will, in conjunction with the IT technician, establish and maintain a recovery plan to ensure continuity of financial administration in the event of an emergency.

The Executive Headteacher will ensure that systems are in place to safeguard school software and data against computer viruses. To prevent viruses being imported, only authorised software will be used.

CARISBROOKE / NEWPORT CE PRIMARY School - Record for Debit Card use

On every occasion the card is used, this record must be completed by the person who has been issued the card for a purchase on behalf of the school. This record is to be maintained in a safe and secure place, together with the cards. Receipts must be received for all expenditure and handed to the Business Manager; a signature must be against each item of expenditure.

Date	Name of person using card	Card number	Full description of item purchased	Cost	Receipt handed to SBM	Card returned to secure place	Signature	Entered on FMS	Reconciled on bank statement