

# Green Park Community Primary School

## Finance Policy

---

Created by Belinda  
Daniels

Date written: November 23

~

(Date of next review: November 24)

# Green Park Community Primary School Finance Policy

## 1. Introduction

The Governors of Green Park Community 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 the Circle Model of Governance<sup>1</sup>.

This policy has been drawn up with reference to the Local Authority's (LA) Scheme for Financing Schools and the Audit Commission documents, *Keeping your Balance* and *Getting the Best from your Budget*.

## 2. Principles

Green Park Community Primary School Finance Policy will adhere to the following principles;

- The responsibilities of the Governing Body, Monitoring Pairs, 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 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 establish sound internal financial controls, based on the LA's Budget Book 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 Improvement Plan, which indicates the resource implications of each priority.

---

<sup>1</sup> See also Green Park Community Primary School Governing Body Terms of Reference and Standing Orders (Pyramid Model) (ToR & SOs)

The budget will be subject to effective monitoring, allowing the Governors, Headteacher and staff to maintain financial control in line with 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:

- 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 Purchase Card is strictly controlled
- 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 Audit and Risk
- The school will adhere to current 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 Full **Governing Body** of Green Park Community 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 (e.g. the School Voluntary Fund).

The Full **Governing Body** of Green Park Community Primary School will annually review and approve the Finance Policy and all Terms of Reference for Monitoring..

The **Governing Body** has responsibility by the Governing Body for the following aspects of financial management;

- Evaluate and recommend the three year budget plan, which shows clear links to the School Improvement Plan, for approval by the Full Governing Body
- Strategic planning e.g. ensuring links to the School Improvement Plan and report to the Full Governing Body
- To annually review and approve the Charging and Remissions Policy
- To annually review and approve a Pay Policy
- To make decisions in respect of service agreements and insurance
- To advise of any consultations to change the LA Scheme for Financing Schools

The **Monitoring of the School Budget Pair**<sup>2</sup> is delegated responsibility by the Governing Body for the following aspects of financial management:

- To undertake monitoring visits of the school
- To monitor the impact of the costed school improvement plan in relation to the budget
- To make regular reports to the Governing Body and ensure that all financial decisions are recorded
- Review compliance audit reports, ensuring the Governing Body follows the recommendations.
- To monitor that the school is working within the SFVS recommendations and actions
- To monitor compliance with the LA Scheme for financing schools.
- To monitor the school asset plan annually
- To annually in the autumn term recommend to the Governing Body the financial risk register and keep under regular review.
- To monitor, evaluate and review the approval of all school policies and procedures relating to fraud
- To report monitoring and outturn position to the Full Governing Body, highlighting any significant variances
- Evaluate any proposed virements over £8,000 and report to the Full Governing Body

---

<sup>2</sup> Refers to Green Park Community Primary School ToR & SOs B6 – Terms of Reference for Monitoring the School Budget

- Evaluate and report on Tenders for Contract Services to the Full Governing Body
- Keeping in-school financial procedures under review
- Active involvement in any consultations to change the LA Scheme for Financing Schools
- Benchmark the school financial performance and report to the Full Governing Body
- Evaluate and recommend the annual Statement of Internal Control and present to the Full Governing Body for approval
- Evaluate and recommend the annual Best Value Statement and present to the Full Governing Body

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 Internal Financial Controls**

The internal financial controls operated by Green Park Community Primary School follow the controls set out in the LA's Scheme for Financing Schools and the Budget Book. Any additional internal financial controls included within the school's financial procedures are reviewed by the Monitoring of the School Budget Pair and ratified by the Governing Body.

### **3.3 Financial Links to the School Improvement Plan**

The **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**

Green Park Community 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 the Monitoring of the School Budget Pair. A monitoring report is taken to all the meetings of the Monitoring of the School Budget Pair which reports, as 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 or submission or soon after. 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 Monitoring of the School Budget Pair

Virements over £8,000 – The Full Governing Body

### 3.5 Insurance

Green Park Community 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.

Green Park Community Primary School recognises that cash is not insured through the LA's Insurance policy.

### 3.6 Purchasing

At Green Park Community Primary School, budgets are delegated to key stage co-ordinators. Budget holders prepare a 'needs budget' for their area of responsibility, which is 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, as laid down in the School's Staff Handbook, paying regard to value for money at all times. The Headteacher or deputy Miss Maria Harrison authorises all orders and invoices prior to payment.

When goods purchased arrive they are checked signed and dated on the delivery slip.

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 ([www.kent.gov.uk/publications/business/spending-councils-money.htm](http://www.kent.gov.uk/publications/business/spending-councils-money.htm)), in summary:

- For orders in excess of £8,000, but less than £50,000, three written quotations are obtained and submitted to the **Monitoring of the School Budget Pair** for evaluation and report to the Full Governing Body
- For orders in excess of £50,000, no fewer than three competitive tenders are sought and submitted to the Full Governing Body for evaluation and approval

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 quotations are sought for all purchases over £8,000, as a matter of course.

**The school does not enter into any Hire Purchase agreements, Finance agreements or Finance Leases.**

### 3.7 Personnel Matters

At Green Park Community Primary School, at the start of every financial year the **Headteacher** uses the three year salary calculator provided on Kent Trust Web 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 **Performance Management Committee** 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 Governors' Pay Policy and reports to the Full Governing Body.

### **3.8 Payroll Matters**

The payroll provider at Green Park Community Primary School is Capita Business Services Ltd, who provides payroll services to the specification laid down by the LA. The Headteacher, or designated deputy, signs off the monthly payroll reports once they have been checked for accuracy.

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

All staff at Green Park Community Primary School are responsible for the security of school assets. Co-ordinators, subject managers and class teachers safeguard their assets and maintain asset registers, which are checked at least on an annual basis and certified by the Headteacher or designated deputy. Other school assets are recorded on a general asset register, maintained and updated by Mrs Candy Hawkins.

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 Full Governing Body agrees this 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.

### **3.10 Income**

At Green Park Community Primary School, Lettings Policy is reviewed and updated approved 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, the Full Governing Body will approve up to £1,000. Approval to write off debts over £1,000 is required in writing from the CYPE LA Finance Manager.

Safe hands insurance allow for £3,000 cash held in the safe and £250 in a locked box on the school premises, we have agreed a school level of cash £1,000 limit. Cash will be receipted, recorded and banked promptly at all times.

### **3.11 The School Bank Account**

Green Park Community Primary School operates its school bank account(s) in accordance with the regulations in the LA's Scheme for Financing Schools and the

guidance in the Budget Book. 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 Statutory Unit, as a matter of course.

Bank statements at Green Park Community Primary School are downloaded on a weekly/ monthly basis and reconciled to the school's local system immediately. The Headteacher or designated deputy signs and dates the bank statement when the reconciliation has been checked.

### **3.12 Petty Cash**

Green Park Community Primary school does not operate petty cash.

### **3.13 Purchase Cards**

Green Park Community Primary School operates an approved Purchase Card in accordance with the guidance in the LA's Budget Book . The approved users are the headteacher, and school business manager. Purchase Cards will be kept with the cardholder at all times. The card limits are £5,000 per purchase and a limit of £5,000 per month. Personal cash credit/debit cards will not be used for the purchase of items for the school.

### **3.14 The Voluntary Fund**

Green Park Community Primary School does not operate a school Voluntary Fund.

### **3.15 Irregularities**

All staff at Green Park Community Primary School are aware of the LA's Whistleblowing procedure. These details are available to staff in their staff handbook.

### **3.16 Data Protection**

Under the terms of the Data Protection Act 1998, the Headteacher and Governing Body are required to notify the Information Commissioner 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.

### **3.17 Financial Administration**

At Green Park Community Primary School, two members of staff are trained in the use of the finance software and financial administration procedures, in event of staff absence.

Signed..... Date.....



(Chair of Governors)

Signed..... Date:.....  
(Headteacher)