LONG MEAD COMMUNITY PRIMARY SCHOOL POLICY

Policy name	Finance Policy
Date written/reviewed	March 2026
Date agreed by Governing Body	March 2026
Date of renewal	March 2027
Senior member of staff with oversight	Karen Follows
Governor with oversight	Simon Pleace

Long Mead Primary School Finance Policy March 2026

1. Introduction

The Governors of Long Mead 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

Our Finance Policy adheres to the following principles;

- The responsibilities of the Governing Body, its committees, 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 both 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 School Development/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
- No petty cash is held in school
- 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 ***Full Governing Body*** 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*** 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 ***Finance Monitoring Team*** **(Governors with experience in school finance plus the Headteacher)** are delegated responsibility by the Full Governing Body for the following aspects of financial management;

- Evaluate and recommend the three-year budget plan, which shows clear links to the School Development/Improvement Plan, for approval by the Full Governing Body

- To review the Finance Policy and agree levels of delegation for approval by the Full Governing Body

- To review the Charges and Remissions Policy for approval by the Full Governing Body

- To review a Pay Policy for approval by the Full Governing Body

- To make decisions in respect of service agreements and insurance

- To advise the Full Governing Body of any consultations to change the LA Scheme for Financing Schools, to allow the school to respond to any consultation

- To report monitoring and the outturn position to the Full Governing Body, highlighting any significant variances

- Evaluate and report on Tenders for Contract Services to the Full Governing Body

- Keeping in-school financial procedures under review

- Benchmark the school's financial performance and report 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 follow the financial controls set out in the LA's Scheme for Financing Schools.

3.3 Financial Links to the School Improvement Plan

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

3.4 Monitoring and Virements

Long Mead 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. A

monitoring report is taken to FGB meetings six times a year (NB. If this total is not possible due to timings of FGB meetings not aligning with monitoring, a special meeting will be called and attended by the Headteacher, Finance monitoring team and school finance team then reported to the FGB at its next meeting). 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 after. This will ensure they have an up-to date position of the school's finances.

The school does have any budget virements.

3.5 Insurance

Insurance is held through ***the Kent County Council (KCC) 'Safe Hands' Scheme**** with relevant cover, as identified by the schedule received from the LA's Insurance section.

3.6 Purchasing

At Long Mead Primary School, learning resource budgets are delegated to subject leaders where applicable. 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 Development/Improvement Plan.

All staff adhere to the KCC procedures for purchasing items, detailed in financial control no7, ensuring regard to value for money at all times. The Budget Holder or the authorised delegated deputy is responsible for authorising all order requests and invoices prior to payment.

Where the school purchases larger items, we adhere to the procedure for Spending the Council's Money as laid down in the Scheme for Financing Schools http://www.kelsi.org.uk/policies-and-guidance/finance-guidance-and-policies/scheme-for-financing-schools)
in summary:

- For purchases up to £24,999* it is considered good practice to hold 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 FGB 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 minuted at the appropriate committee/Governing Body meeting to ensure that the School is seen to be obtaining value for money at all times.

The school does not enter into any Hire Purchase agreements, Finance agreements or Finance Leases as this constitutes borrowing which is not permitted.

3.7 Personnel Matters

At Long Mead Primary School, at the start of every financial year the school finance team in conjunction with the Headteacher uses a financial planning tool to calculate the salary costs of all members of staff, including salary progression, where applicable. These details are used by the Full Governing Body for incorporation into the school budget planning process.

The Headteacher's Performance Management 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 Governors' Pay Policy and reports to the Full Governing Body.

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

3.8 Payroll Matters

Our payroll provider is Capita who provides 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.

3.9 Safeguard of Stocks, Stores and Assets

All staff 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 the school office.

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 to be 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 when borrowing the item and again when the item is returned.

3.10 Income

The Lettings Policy is reviewed and approved 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 LA Finance Business Partner CYPE. (schoolfunding@kent.gov.uk)

We have agreed a level of cash to be held in school at any one time as £100. Cash will be receipted, recorded and banked promptly at all times with the aim of keeping this to a minimum with as many transactions as possible being cashless.

Cash will be receipted, recorded to the system and banked regularly, at least once a term (or sooner if insured limit is reached) without exception.

3.11 The School Bank Account

The school operates its school bank account in accordance with the regulations in the LA's 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 Schools Financial Services, as a matter of course.

Suppliers and Invoices are paid via cheques or BACS ensuring it adheres to all financial controls within the Scheme for Financing Schools.

Bank statements are received/printed out on at least a monthly basis and reconciled in accordance with LA guidelines The Headteacher signs and dates the bank statement as soon as possible after the reconciliation has been checked.

3.12 Petty Cash

No Petty Cash is held

Staff <u>must not</u> 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 purchase.

3.13 NatWest **one**card **(**state if no cards held**)**

Approved **one**card/s are held as an additional method of payment in accordance with the LA guidance. (*refer to Financial Control no7*)

Please list:

Cardholder Position	Single transaction limit	Monthly card limit
Headteacher	£500	£1,500
Administration	£250	£1,000

3.14 The Voluntary Fund

No Voluntary Fund is held

3.15 Fraud and Irregularities

All schools must have a robust system of controls to safeguard themselves against fraudulent or improper use of public money and assets. Schools must ensure they have a current Anti-Fraud, Bribery and Corruption Policy in place and that staff are made aware of this and the LA's Whistleblowing arrangements and to whom they should report concerns. This information must be communicated to all staff and also

be included in induction for new school staff and governors.

3.16 Data Protection

The 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 pays £60 as determined by the ICO**.** The schools designated Data Protection Officer is Satswana.com (admin@satswana.com).

3.17 Information Systems

A password protection procedure is adhered to as 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 Long Mead Primary School, members of staff are trained in the use of the finance software and financial administration procedures, but in event of staff absence, we purchase a support contract through the Schools Financial Services which is reviewed on an annual basis, allowing us the option to purchase additional support, if required.