



**St Anthony's School**

**Policy No: 20 Finance**

**May 2020**

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## Introduction

The Governors of St Anthony's 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 Head teacher 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**.

This policy has been drawn up in accordance with the Local Authority's (LA) Scheme for Financing Schools.

## Principles

St Anthony's School Finance Policy will adhere to the following principles:

- The responsibilities of the Governing Body, its Monitoring Group, the Head teacher 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
- 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 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 Plan, which indicates the resource implications of each priority.

The budget will be subject to effective monitoring, allowing the Governors, Head teacher 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 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 GDPR and Data Protection legislation
- Appropriate training in financial administration will be given to enable staff cover at all times

### **Putting Policy into Practice**

#### Delegated Authority

The **Full Governing Body** of St Anthony's 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 St Anthony's 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 **Monitoring Budget Group** is 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 Improvement Plan, for approval by the Full Governing Body
- To annually review and approve the Finance Policy and all Terms of Reference for the Monitoring Group.
- To review the Charges and Remissions Policy
- To review a Pay and Reward 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 the 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 any proposed virements and report to the Full Governing Body (If applicable)
- 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 **Head teacher** 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 Head teacher and this delegation should be documented in the Finance Policy.

At present these delegations are as follows:

School Business Manager – Kate Ford - Deals with the day to day running of the budget under the direction of the head teacher. Also responsible for the petty cash,

School Admin Staff – Office Staff - Deals with incoming cash such as school dinner money, trip money or charity collections.

PTFA Treasurer – Heather Leal deals with PTFA accounts.

#### Internal Financial Controls

The internal financial controls operated by St Anthony's School follow the controls set out in the LA's Scheme for Financing Schools and the Budget Book.

#### Financial Links to the School Improvement Plan

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

#### Monitoring and Virements

St Anthony's School recognises that the regular monitoring of income and expenditure against the agreed budget is central to effective financial management. To this end, the Head teacher carries out a monthly internal monitoring procedure, copied to the Monitoring Governor/s. A monitoring report is taken to all Full 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 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 approved budget are minuted appropriately and require the following authorisation:

Virements up to £8,000 - The Head teacher, reported to the Monitoring Governor/s

Virements over £8,000 – The Full Governing Body

#### Insurance

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

St Anthony's School recognises that cash is not insured through the LA's Insurance Policy.

#### Purchasing

At St Anthony's School, budgets are delegated to AHTs and Lead Practitioners. Budget holders prepare a 'needs budget' for their area of responsibility, which is approved by the Head teacher in line with the priority needs of the school and the School Development 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 Head teacher or designated deputy 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 ([www.kent.gov.uk/publications/business/spending-councilsmoney.htm](http://www.kent.gov.uk/publications/business/spending-councilsmoney.htm)),  
In summary;

For orders in excess of £8,000, but less than £50,000, three written quotations are obtained and submitted to the Full Governing Body for approval

For orders in excess of £50,000, no fewer than three competitive tenders are sought and submitted to the Full Governing Body for 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.

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

#### Personnel Matters

At St Anthony's School, at the start of every financial year the **Head teacher** 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 **Monitoring Governors** for incorporation into the school budget planning process.

The **Performance Management Committee** undertakes an annual review of the Head teacher's salary, and recommends enhancements, if applicable, to the Full Governing Body for approval.

The Head teacher 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.

#### Payroll Matters

The payroll provider at St Anthony's School is Capita Business Services Ltd, who provides payroll services to the specification laid down by the LA. The Head teacher, signs off the monthly payroll reports once they have been checked for accuracy.

#### Safeguard of Stocks, Stores and Assets

All staff at St Anthony's School are responsible for the security of school assets. AHT, Lead Practitioners and class teachers safeguard their assets and maintain asset registers, which are checked at least on an annual basis and certified by the Head teacher. 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 written off and disposed of, the Full Governing Body agrees this and the agreement are 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.

#### Income

At St Anthony's School, the Lettings Policy is reviewed and 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 Head teacher 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 CFE Finance Manager.

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.

#### The School Bank Account

St Anthony's 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, when there is a change in staffing and details are copied to the Statutory Unit, as a matter of course.

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

#### Petty Cash

Petty Cash is held securely at all times and the limit for petty cash is £125.00. At St Anthony's School, petty cash transactions are kept to a minimum and the maximum value of any one transaction is £30.00. All staff obtain proper VAT receipts for petty cash purchases, wherever possible, as this demonstrates value for money in respect of the school budget and satisfies legislative requirements.

#### Purchase Cards

St Anthony's School operates an approved Purchase Card in accordance with the guidance in the LA's Budget Book. The approved users are  
School Business Manager - limit ~~£700~~ £5500 per month  
Head of Food Technology - £400 per month.  
Personal credit cards will not be used for the purchase of items for the school.

#### Irregularities

All staff at St Anthony's School are aware of the LA's Whistleblowing procedure. These details are available to staff in their staff handbook.

#### Data Protection

Under the terms of the Data Protection Act 1998, the Head teacher 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.

**Financial Administration**

At St Anthony’s School, one member of staff is trained in the use of the finance software and financial administration procedures. We also purchase a support contract through the LA’s Trading and Contract Management Unit, which is reviewed on an annual basis, allowing us the option to purchase additional area support, if required. In the event of staff absence we would seek additional support through this contract.

Signed..... Date: 21<sup>st</sup> May 2020  
(Chair of Governors)

Signed..... Date: 21<sup>st</sup> May 2020  
(Head teacher)

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