



Finance Policy

January 2025

Headteacher	C Grattan
Governors	N Cook
Date Approved	5 th March 2025
Review Date	March 2026
Review Date	

Higham Primary School follows the KCC Schools Financial Services document 'Model Finance Policy' for Kent schools <https://www.kelsi.org.uk/policies-and-guidance/finance-guidance-and-policies/finance-policies-and-guidance-for-schools>

1. Introduction

The Governors of Higham 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

Higham Primary School Finance Policy will adhere 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
- The use of a NatWest Onecard 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 of Higham 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 Higham Primary 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 Full Governing Body are also responsible for evaluating and approving the three-year budget plan, which shows clear links to the School Development/Improvement Plan.

The Resources Committee is delegated responsibility by the Full Governing Body for the following aspects of financial management;

- 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 any proposed virements
- 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. See 3.18 - Financial Administration.

3.2 Internal Financial Controls

The internal financial controls operated by Higham Primary School 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

Higham 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 Chair of Governors and Finance Governor. A monitoring report is taken to all meetings of the Resources Committee which reports 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 submission or soon after. This will ensure they have an up-to-date position of the school's finances.

On occasions, virements may need to be carried out. Virements to the approved budget are minuted appropriately and require the following authorisation:

Virements up to £10,000 - The Headteacher, reported to the Resources Committee

Virements from £10,001 to £15,000 – The Resources Committee

Virements over £15,000 – The Full Governing Body

3.5 Insurance

Higham Primary 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.

Higham Primary School purchases Money Cover as an optional extra through the Safe Hands Scheme and therefore cash is insured as detailed within the policy schedule.

3.6 Purchasing

At Higham Primary School, budgets are delegated to key stage co-ordinators and class teachers. 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. A list of authorised signatories, containing name, position, budget held and value of budget can be found within Appendix B.

All staff adhere to the KCC procedures for purchasing items, detailed in financial control no. 7, paying 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.

As a matter of good practice, orders over £2,500 have three quotations sought.

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.kelsi.org.uk/policies-and-guidance/finance-guidance-and-policies/scheme-for-financing-schools), in summary:

- For orders in excess of £10,000, but less than £50,000, three written quotations are obtained and submitted to the Resources Committee for approval and report to the Full Governing Body

- For orders of £50,000 or over, no fewer than three competitive tenders are sought and submitted to the Full Governing Body for approval

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 Higham Primary School, at the start of every financial year the Finance Officer uses a financial planning tool to calculate the salary costs of all members of staff, including increments, where applicable. These details are agreed by the Headteacher and used by the Finance Officer for incorporation into the school budget planning process.

The Headteacher's Appraisal 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 any enhancements are reported to the pay committee for approval. Notification to Full Governing body will take place.

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

3.8 Payroll Matters

The payroll provider at Higham Primary School is HR Connect, 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 Higham Primary School are responsible for the security of school assets. Subject leaders and class teachers safeguard their assets which are checked at least on an annual basis and certified by the Headteacher or designated deputy. School assets over £200 in value are recorded on a general asset register, maintained and updated by the Finance Officer.

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 Resources Committee agrees this on behalf of the Full Governing Body 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

At Higham Primary School, the Lettings Policy is reviewed and approved by the Resources Committee.

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).

The total cash held in the school must not exceed the schools cash insured levels. Cash is insured via KCC Safehand Insurance Scheme up to:

- £3,000 in locked safes and strongrooms
- £250 in locked receptacles other than safe or strongroom

(Refer to KCC Insurance Scheme for all money limits)

Governors have agreed that the maximum level of cash to be held in school collectively within a locked safe at any one time is £1,000. Cash will be receipted, recorded and banked regularly, at least once a term (or sooner if insured limit is reached) without exception.

3.11 The School Bank Account

Higham Primary 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 the Schools Financial Services, as a matter of course.

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

Bank statements at Higham Primary School are received/printed out on at least a monthly basis and reconciled in accordance with LA guidelines (refer to Finance control no.1). The Headteacher or designated deputy 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 must not use their own personal credit or debit 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 Onecard

The approved users are Catherine Grattan, the monthly card limit is £1,000. Emily Wright, Kerry Mills and Shaun Walton, the monthly card limit is £2,000.

Approved Onecard's are held as an additional method of payment in accordance with the LA guidance.

Cardholder and/or Position	Single Transaction Limit	Monthly Card Limit
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Catherine Grattan - Headteacher	£500	£1,000
Shaun Walton – Site Manager	£500	£2,000
Kerry Mills – Finance Officer	£500	£2,000
Emily Wright – Office Manager	£500	£2,000
Valerie Siggers - Cook	£100	£250 - (AWAITING APPLICATION)

3.14 The Voluntary Fund

Not applicable

3.15 Fraud and Irregularities

At Higham Primary we have a robust system of controls to safeguard against fraudulent or improper use of public money and assets. All staff at Higham Primary School are aware of the following policies:

- An Anti-Fraud, Bribery and Corruption Policy
- A Whistleblowing Policy
- A Gifts and Hospitality Policy

All staff are made aware of these policies and particularly to whom they should report any concerns. As good practice, this information is included in the induction process for new school staff and governors.

3.16 Data Protection

Higham Primary 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). Higham Primary School pays £60 as determined by the ICO. The schools designated Data Protection Officer is Satswana Ltd.

3.17 Information Systems

At Higham Primary School systems are backed up regularly and the backups held securely, virus protection is in place and is updated regularly and the school has disaster recovery in place via Cantium Business Solutions Ltd for the administration network.

3.18 Financial Administration

At Higham Primary 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 Schools Financial Services which is reviewed on an annual basis, allowing us the option to purchase additional support, if required e.g. in the case of staff absence.

Appendix B

All order requests/invoice authorisation must be signed by the budget holder. A list of authorised signatories, containing name, position, budget held, and value of budget should be included as an appendix to the schools Finance Policy. The school office should hold a copy that includes a specimen signature for each budget holder.

This document should be updated annually as part of the budget setting process.

Budget holders for financial year 2024-25

Name	Position	Delegated Budget Held (indicate if person is the authorised deputy)	Budget Value	Specimen signature*
Catherine Grattan	Head Teacher	All Budgets - lead	N/A	
Vanessa Levy	Deputy Headteacher	Authorised deputy in the absence of the lead	N/A	

Agreed by:

Head teacher..... Chair of Governors.....

Date:

Date:

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Budget holders for financial year 2025-26

Name	Position	Delegated Budget Held (indicate if person is the authorised deputy)	Budget Value	Specimen signature*
Catherine Grattan	Headteacher	All budgets unless specified below	Refer to agreed budget I&E Report for individual budgets	
Vanessa Levy	Deputy Headteacher	Authorised Deputy		
Shaun Walton	Site Manager	Buildings Grounds Cleaning (General) Cleaning (Kitchen) IT Resources Kitchen Repair	TBA	
Catherine Grattan	Headteacher	Authorised Deputy		

Emily Wright	Office Manager	Kitchen (Equipment) ASP/BC (Food and Resources)	TBA	
Catherine Grattan	Headteacher	Authorised Deputy		
Val Siggers	Cook	Catering / Food	TBA	
Emily Wright	Office Manager	Authorised Deputy		
Catherine Grattan	Headteacher	Authorised Deputy		

Agreed by:

Head teacher..... Chair of Governors.....

Date:

Date: