

# Finance Policy



This policy has been compiled to provide a framework of guidance for governors and staff on all matters relating to the financial transactions within Slimbridge Primary School and is reviewed annually at the Autumn meeting of the Finance Committee.

<b>Approved by:</b>	FGB	<b>Date:</b> May 2024
<b>Last reviewed on:</b>	May 2024	
<b>Next review due by:</b>	May 2025	
<b>Renewed by:</b>	Lisa Hillman (Head teacher) and Anita Fletcher (Finance Officer)	

## **Responsibility and Accountability**

The responsibility for the correct management of the financial affairs of Slimbridge Primary School rests with the Governing Body. The governors have established a committee of the main body called the Finance and Premises Committee, which consists of:

Head Teacher

Up to 4 other Governors, one of whom is the elected chair of the Finance and Premises Committee

Clerk to Governors (when necessary or in absence of the clerk, clerked by nominated governor)

Finance Officer

The Premises and Finance Committee have agreed to meet at least three times a year but with other meetings as necessary. The committee has delegated the oversight of the day-to-day financial affairs to the Head teacher who is accountable to the main Governing Body through the committee.

The Head teacher's oversight of the financial management is defined by G.C.C., Finance Division and through the Head teacher's job description. The Head teacher has delegated the administration of the school's financial affairs to the Finance Officer alongside the Office Manager, whose duties and responsibilities are defined in their job descriptions.

The Governors and staff have agreed to declare any pecuniary interests and will not benefit personally from the decisions that they make. Declarations will be made annually at the first Full Governing Body Meeting of the academic year in September and the Clerk to Governors is responsible for checking all forms have been completed and filing these in the relevant FGB folder following the meeting.

### **The Governing Board has responsibility for the following:**

- 1) Ensuring that the school abides by the Schools Financial Value Standard (SFVS)
- 2) To review budget monitoring reports
- 3) To ensure that a recovery plan is out into place where a budget has gone into deficit
- 4) To ensure preparation and reporting on a 3-year financial plan
- 5) To authorise expenditure in excess of £5000
- 6) To receive requests for authorisation to vire expenditure between budgets
- 7) Undertaking reviews, in conjunction with the head of the management organisation, accountancy systems and financial procedures of the school and their effectiveness
- 8) To review these terms of reference annually and propose amendments to the Governing Board
- 9) To review internal audit reports and comment on recommendations. To ensure full implementation of audit recommendations
- 10) To approve any debts to be written off
- 11) To participate in staffing reviews and implement pay policies as appropriate
- 12) To annually review governors' allowances

### **Role of the Head Teacher**

**The Head teacher has responsibility for the overall supervision of the day-today-running of the financial affairs of the school.**

The Head Teacher can delegate specific responsibilities to members of staff as appropriate to their job descriptions, ensuring adequate separation of duties in both manual tasks and financial systems.

The Head Teacher should monitor the financial position of the school on a regular (not less than monthly) basis.

The Head Teacher is responsible for the preparation and presentation to the Governing Board of reports on the school's finances in accordance with a pre-determined timetable as well as on an ad hoc basis as necessary.

The Head Teacher can amend the agreed budget by virement between any budget heading up to the limits set out below.

The Head Teacher can authorise the purchase of individual items up to the limits indicated below.

#### **Role of the School Finance Officer**

1. Responsibility for monitoring all day-to-day records of the school and reconciling them with the records of the Local Authority as appropriate.
2. Responsibility for the regular preparation, from the school's accounting system, of reports that will show the position of the school's finances as may be required by the Head and the Governors.
3. Responsibility for ensuring on a day-to-day basis that the financial procedures as set out in this document and following guidance issued by the local authority, are followed by all who may be involved in any way in the school's finances.

#### **The Process of Setting and Controlling the School Budget**

The Head teacher is responsible for the planning of school expenditure to enhance the learning environment for all stakeholders. She will maintain a school development plan which is aligned to the school's priorities and which will inform all budget decisions. The committee will receive an update of expenditure at its meetings from the Head Teacher and Finance Officer.

The Chair of the committee in conjunction with the Head teacher, Finance Officer and Area Finance Officer (AFO) will set a provisional budget plan following this format during February/March each year. This budget plan will then be put onto the school's system by the Head teacher and AFO. It will then be presented to the Premises and Finance Committee for discussion and approval at their meeting in April/May. It will be ratified by the FGB at their next meeting and signed off by the Chair of the Governing Body. An update of the financial position will be given by either the Chair of the Premises and Finance Committee or the Head Teacher at each meeting of the Governing Body.

#### **Budget Timetable**

Feb/Mar                      Head and Area Finance Officer prepare provisional budgets and compare

Feb/Mar                      Head, Finance Officer, AFO and Chair of Finance meet to discuss initial budget plans

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Mar/Apr	Head, Finance Officer and Chair of Finance present draft budget to Committee
Mar	End of year close down
Mar/Apr	Head Teacher and Finance Officer input new draft budget onto FMS system
Apr/May	Budget plan accepted by the Finance and Premises Committee and ratified by the FGB and Chair of Governors at the Term 5 meeting

The County Auditor is available to offer financial advice to the school. The school buys into GCC support and a GCC AFO makes at least four to six visits annually to the school to support the Head Teacher and Finance Officer and to exercise external budgetary control on behalf of the Principal Accounting Advisor.

The school is bound by the budget regulations and restrictions set annually by the Principal Accounting Advisor. The Head teacher and Governors understand that it is their duty to keep the school accounts solvent. The Governing Body has given the Head teacher the authorisation to vire monies from budget headings should the need arise. However, virement will be avoided, if possible, to enable a full and accurate picture of the state of the budget to be taken at any point in the year.

The Head Teacher can authorise the purchase of individual items up to the limits of £5000. Cash limits over which Governors will be consulted have been agreed as £5001. A full breakdown of individual virements will be authorised as follows:-

- Up to £5000            Head Teacher
- £5000 - £10,000      Chair of Finance
- £10,001 - £50,000    Finance Committee
- £50,000 and over    Full Governing Body

## **Payroll**

The school uses the GCC e-forms on the SAP portal. These must be made out by the Finance Officer and authorised by the Head for:

- Starters/variations/leavers, including:
  1. setting up new employees on the payroll (starters)
  2. effecting variations to pay
  3. taking existing employees off the payroll (leavers)
- Claims for extra hours or supply
- Claims for travel expenses

Payroll data received monthly from Shire Hall must be scrutinised by the Finance Officer to check accuracy of pay calculations and if there is an issue they should consult with the Head. The Headteacher will ensure all employees are recognised, and pay appears reasonable.

All pay-related expenses must be processed through the payroll system. Non-pay-related expenses must never be processed via the payroll system, the Creditor Control section in Shire Hall must be contacted for advice. Reimbursement claims must be submitted on a monthly basis by the Finance Officer, who must check that correct amounts have been charged as per the Shire Hall expenditure printout.

## **Personnel**

All procedures for personnel matters are contained within the GCC Personnel Handbook. Current policies and procedures are to be found on Schoolsnet and the school website. The guidelines set out in these documents should be followed at all times.

Contracts for staff, both teaching and non-teaching, are updated as required. Payment procedures are set by the County Council Finance/Personnel Department for all schools.

The duties of staff are negotiated individually following the guidelines. The teaching staff have individual job descriptions which formally outline their duties. The salaries comply with our school pay policy and the latest pay and conditions regulations and should reflect duties undertaken. The personnel records of teaching and non-teaching staff are held in the locked filing cabinet in the administrator's office. Access to this cabinet is restricted to the Head teacher, administrator and Finance Officer.

Payroll checks are undertaken monthly by the FINANCE OFFICER. Data held on the school's computer system follows the guidelines of the 1984 Data Protection Act and and GDPR amendments (May 2018) and was entered onto the computer with staff permission.

Where an individual is providing a service for the school or for which the school is paying on behalf of the local authority (e.g.: a service for a child in the care of the local authority agreed by the professionals working to support the child in their termly PEP, for which the parents of any other children would pay themselves), an online IR35 check will be made and the individual will be asked to check and sign the printed copy. This will be held on file.

## **Internal Financial Control**

The school has established internal financial control within the guidelines set down by the Schools Financial Value Standard (SFVS). The school operates Financial Management System (FMS6). All payments go through a strict authorisation process: payments will not be authorised/signed until all payee details are completed by the Finance Officer. All payments require two authorised signatures.

The school uses the County FMS packages which are updated regularly and all financial transactions are recorded on the computer. The Finance Officer with the aid of the ICT Technician has responsibility for maintaining the efficiency of the computer system and should ensure that effective back up procedures are followed. The current practice is for the system (all packages) to be backed up regularly use VEAM software.

The Finance Officer, Head teacher and Area Finance Officer are all authorised users of the computer system and have full access. In addition to this, the Chair of the Governing Body, the Chair of the Premises and Finance Committee and auditors have right of access to the chart of accounts.

The school and Governing Body are registered users under the Data Protection Act 1984 and comply with all regulations including GDPR (May 18) and County data protection advice.

### **Insurance**

The risks the school may incur are covered by maintaining payments to the County Insurance scheme. These include fire/theft, vandalism, SIMS computer package. Staff absence is covered by the school with an allocated budget for this. The surplus each year is ring-fenced and carried forward as an "internal insurance scheme".

### **Purchasing**

1. The school procedure for routine purchasing (i.e., regular purchases where individual items are less than £5000) is to buy from an authorised supplier offering 'best value'. Like-for-like comparisons will be made between at least two suppliers by the FINANCE OFFICER and the Headteacher will authorise the purchase based on this information.

2. Any single items not purchased routinely and which incur an expense of over £5000 and under £75,000 should follow these guidelines:

Goods and/or services that have a total value or estimated total value:

- £5,001 - £15,000 at least three prices to be examined and retained, these prices may be taken from suppliers' written or verbal quotations or catalogues/price lists. Where it is not possible to obtain three quotes the governors may authorize the school to procure after obtaining a single written quotation which must be obtained against a written request for a quotation;
- Between £15,001 and £75,000 may be procured after obtaining three written quotations; and
- Between £75,001 and up to EU threshold may be procured after having undertaken a tendering process.

### **Quotations/tenders:**

Standing Orders - for orders for goods/services over £75,000:

- The school may instruct a third party to administer the tender process. E.g.: A property development company or the appropriate officer in GCC Corporate Building Services in order to request them to seek quotations and oversee contracts, building/electrical, heating etc. on the school's behalf.
- If the school is administering the process themselves, tenders should be invited in one of three ways, and in accordance with specific standing orders from at least three contractors included on a standing list - SO49; or where no standing list exists from at least three appropriate contractors - SO.50, or by open competition by advertisement in local newspaper or appropriate journal - SO.51.

These estimates should be discussed with the Premises and Finance Committee. The best value quotation should be accepted. Where possible this should be the most economical quotation although it may be possible that the cheapest does not meet the technical requirements.

The Governing Body through the Finance and Premises Committee will discuss spending on any project. They will then set a figure which they feel is appropriate for the project. If quotations exceed the sum set by the committee, the Head teacher is required to refer the matter back for consideration.

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All orders subsidiary to the normal running of the school must be put forward on the agreed school order form and be approved by the Head teacher. General resources and consumables that are regularly purchased will be authorised by the Finance officer and Administrator. Additional orders can only be authorised by the signature of the Head teacher, Chairman of Governors or senior teacher in the Headteacher's long-term absence. The official school order form and computer record will be compared against both the delivery note or original order before payment of the invoice. On delivery, the administrator will ensure that the receipt of goods is of a satisfactory condition.

The Head teacher will authorise the amount to be spent by staff for their area of responsibility in accordance with the school's budget plan. All staff must complete either a Petty Cash or Purchase Order form prior to purchasing or ordering. If a member of staff is authorised to do so, they may purchase an item for the school and be reimbursed but must acquire an appropriate VAT receipt.

No goods shall be purchased through the school on behalf on an individual.

### **Payment of Accounts**

The Head teacher, Administrator and Finance Officer has the responsibility to check on the condition of goods/services received. Any package which appears to be damaged should not be accepted. Faulty/damaged goods should be returned to the supplier immediately.

All invoices for goods/services received must be taken to the Finance Officer for payment. Invoices are paid and authorised by the school's two signatories. The internal controls outlined in Internal Financial Control are to be followed each time. All accounts are to be paid within 30 days of receiving the goods or service.

Accounts are then reconciled from Gloucestershire County Council (GCC) print outs (FMLG01) and payroll reports take place each month.

### **Security of Stocks, Properties and other income**

- There is no money kept on the school premises; the school runs a cashless system. When fundraising events take place, the money received from parental contributions is paid directly to the charity.
- The Head teacher is responsible to the Governing Body for the safe custody of school property.

### **Slimbridge School Fund:**

- The accounts of the School Fund are to be maintained on a day-to-day basis by the Finance officer. All income and expenditure will be entered promptly in the accounts. Bank reconciliation will be performed monthly when bank statements are received, between the balance as per the accounting record and the balance as per bank statements.
- This fund is administered by the Finance Officer. There are three authorised signatories on this account: Head teacher, Chair of Governors and Finance Officer. The account is audited annually.

- Income received through the School Fund account is linked to the government salary sacrifice schemes and child care vouchers. A monthly transfer is made into the school capitation account for the purposes of budgeting and accounting, as per agreement with Gloucestershire County Council. All income is repaid to the school at the end of each particular month and is designated to an appropriate income code.
- Expenditure of the School Fund is actioned by using the school debit card: the school has two cards: one assigned to the Finance Officer, the second is held by the Head Teacher. After each transaction has been completed, the card-use record, kept in the main office, is to be completed and all relevant documentation (receipts) to be retained. The Finance Officer will record all debit card expenditure on the Financial Management System (FMS) and reconcile against the bank statement at least monthly.
- A separate spreadsheet will be maintained by the Finance Officer to accurately account for income and expenditure linked to the Fund Account
- The Governors' Chair of the Finance Committee checks the Fund Account termly in the presence of the Finance Officer.
- Final accounts are prepared at the end of the School Fund financial year by the Finance Officer (currently June). The accounts will be audited by an auditor appointed by the full Governing Body. The auditor will not be a member of the Governing Body. In appointing an auditor and operating the Fund, the Governors will follow the instructions laid down in the County Council's Manual on Unofficial Funds.
- The audited accounts should be presented to the full Governing Body for approval. Governors' approval must be recorded in the minutes of the meeting. Once approved, the Finance Officer will return the requested form (FN12) along with the appropriate governing body minutes to Shire Hall in the format required by the Department for Education.
- School Fund monies must be kept, and recorded, separately from the school's capitation monies and securely held.

**Property/Assets:**

- The maintenance of school stock is the responsibility of each member of staff. The Office Manager and Head teacher deal with the administration.
- The responsibility for the overall security of the school property and premises rests with the cleaner in charge, the Head teacher and the Office Manager.



- The keys to enter the building are held by the Head teacher, senior leaders, cleaner in charge and Office Manager. The Finance Officer and Administrator hold keys to access the building in an emergency. Any loss or damage to school property must be reported to the Head teacher and, if appropriate, the Police.
- An insurance claim should be made in the event of the theft or vandalism of any items.
- The portable, desirable, attractive assets of the school, as well as any assets of intrinsic value (e.g. antiques) will be recorded in the school's inventory. Full details (make, model, serial number, approximate value) shall be recorded.
- The Class Teachers and Office Manager are responsible for keeping the inventory up to date by adding new items assigned to their particular area when they are received into school.
- Items up to a value of £50 may be sold or written out of the inventory on the authority of the head. Over this limit, the Governing Body must authorise and details recorded in the minutes. Reasons must be recorded in the inventory, together with the Head's signature (up to £50) or the Governors' minute reference (£50 and over). An official receipt for sales income must be issued to the purchaser.
- Inventories shall cover all areas of the school, and be arranged on a room-by-room basis. A separate inventory will be maintained to include items which are not allocated to a specific room.
- The inventory shall be checked against the actual assets on an annual basis and any discrepancies shall be investigated immediately, and if necessary, the Governors, Police and the authority's auditors shall be informed. The check shall be evidenced by the checker signing and dating the inventory. This is usually completed during the annual PAT testing
- All inventory items should be security marked:
  - invisibly with an ultra-violet pen or SmartWater solution
  - visibly with stickers
- Any inventory items taken off-site by members of staff (excluding laptops assigned to staff) must be recorded.

### **Processes for managing income, including debtors**

Parents are requested to use the online payment facility through ParentPay.

For credit income, where payment for goods/services provided by the school is made after the provision takes place, a request is made electronically by the Office Manager through ParentPay notifying via text that there is an outstanding balance on an account.

Copies of the alerts are available on the parent pay portal and this information is available to the Office Manager, Finance Officer and Head teacher. Reminders will be sent after the following periods if the debt remains outstanding:-

1st reminder 28 days (Via text, email and phone call)

2nd reminder 56 days (By official letter/invoice from the Head teacher)

As well as sending formal reminders, efforts must be made by the school to contact the debtor in order to secure recovery of the debt. If payment has not been received after 14 days of raising an invoice, no further goods or services must be provided until the outstanding debt is settled. At the discretion of the Head teacher, a payment plan may be mutually agreed for those experiencing financial hardship.

If after 84 days the debt remains unpaid and the possibility of taking legal action to recover the debt has been considered and rejected as unfeasible, then consideration will be given by the Head and/or Governors to writing the debt off in accordance with the following limits:-

- up to £50      - Head may authorise write-off
- up to £100    - Chair of Governors may authorise write-off

When a payment is received transactions are recorded electronically through the parentpay portal.

Donations from any sources are paid into the School Fund and acknowledged by the Headteacher, dependent upon the wishes of the donor.

### **Register of Pecuniary and Other Interests**

The school shall maintain such a register, which includes:

- All Governors
- Headteacher
- FINANCE OFFICER

The basic principle to be followed is that any interest should be recorded which could be seen to improperly influence any decisions taken, pecuniary or otherwise, regarding the operation of the school.

Examples of such improper influence might be:-

- to purchase goods or materials from a company in which a Governor/senior member of staff has a financial interest without going through the correct procedures re. obtaining competitive prices;
- promoting member of staff who has close personal relationship (spouse, partner, son, daughter etc.) with Governor/senior member of staff, without going through correct procedures re. recruitment and selection.

There can never be a definitive, comprehensive list of the interests which should be recorded, but the following is intended to give some guidance:

- having a financial, or other, interest in an organisation which could feasibly be in a position to supply goods/services to the school as

- building contractors
- plumbing contractors
- electrical contractors
- decorating contractors
- catering contractors
- grounds maintenance or gardening contractors
- suppliers of: audio/visual goods, ICT hardware and software, telecommunications equipment
- repair/maintenance of equipment (electrical and other)
- suppliers of stationery, educational equipment, books, musical instruments
- suppliers of furniture, fittings, carpets, curtains etc.
- suppliers of building materials
- suppliers of catering equipment
- suppliers of fuel
- suppliers of plants, trees, seeds etc.
- suppliers of heating and lighting equipment
- suppliers of insurance
- consultants (e.g. legal, financial, training, property)
- suppliers of security services and supplies
- transport contractors (e.g. coaches, taxis etc.)

- the interest in the above 'supplying organisations' may be as a director, an employee, a major shareholder, a major investor, a major debtor/creditor or due to having a close personal relationship (spouse, partner, son, daughter, parent etc.) with a person in the above categories
- being in a position to potentially influence decisions made about the school, as a member of local council, an officer of Local Education Authority in a senior capacity, a Member of Parliament, an OFSTED Inspector or having a close personal relationship (as described above) with any person falling into the above categories
- having a close personal relationship with a Governor or member of staff (employed on a full-time, part-time, permanent, or temporary basis).

**Forms will be completed at the first meeting of the FGB in September and the Clerk to Governors is responsible for ensuring all forms are completed, collated and filed in the appropriate FGB folder.**

### **Charging policy**

The school wishes to provide for all pupils the best possible educational opportunities available within the funds allocated by GCC. The law states very clearly that education during the normal school hours is to be free of any compulsory charge to parents and the school warmly endorses that principle and is committed to uphold the legal requirements.

It is recognised, however, that many educationally valuable activities have been and will continue to be dependent on financial contributions in whole or in part from parents. Without that financial support, the school would find it quite impossible to maintain the quality and breadth of the educational programme

provided for pupils. The school's concern is to keep financial contributions to a reasonable minimum and to ensure as far as possible that all children are able to take part, irrespective of their circumstances.

All materials needed for the education of pupils will be provided by the school. However, if the parents wish to own the completed product, a contribution will be requested. At present this covers items produced in technology and other related practical activities.

Voluntary contributions will be requested to cover the cost of educational visits and swimming. If insufficient contributions are received the activity will be cancelled. Letters for such activities will contain the following sentence:

*Your child will not be denied a place on this trip if you can not make the voluntary contribution, however, please note, that if we do not receive enough contributions the trip will have to be cancelled. The school is not able to fund any shortfall.*

Some activities are considered to be extra to the normal curriculum and therefore parents will have to pay the full costs if they wish their child to participate. This includes residential trips, non-curricular trips and all out of school activities.

#### **GDPR statement 2018**

Information provided to and held by Slimbridge Primary School will be managed and processed in accordance with the new data protection law (General Data Protection Regulation) and in-line with our schools data protection policy.