



Finance Policy

Date approved: 14th June 2023

Signed: Simon Richards, Chair of Governors

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Revision Record

Revision No.	Date issued	Prepared By	Approved By	Comments
1	28.04.21	LN	FGB	New policy
2	14.06.23	SR	FGB	Removal of Finance governor and insertion of Finance & Resources Committee.

1. Introduction

The Governors of Haylands 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 within which all Governors and staff will operate.

This Policy has been drawn up in accordance with the Isle of Wight Council's (IWC) Scheme for Financing Schools.

2. Principles

Haylands 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.
- Using fair competition through quotations and tenders, ensuring resources and contracts for services are secured in the most economic, efficient and effective way.
- Consulting stakeholders on policy development and major changes in the use of resources.

The school will establish sound internal 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 by reviewing the current position and taking any

necessary remedial action.

The school will be adequately insured against exposure to risk. The school will ensure that:

- The Budget Share is spent for the purposes 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.
- Assets are recorded and adequately safeguarded against loss or theft.
- All income due is identified, 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 the school Charge Card is strictly controlled.
- Any suspected irregularity will be reported immediately to the IWC's Senior Finance Business Partner.
- The school will adhere to current GDPR and Data Protection legislation.
- Appropriate training in financial administration will be given to enable adequate staff cover at all times.

3. Putting Policy into Practice

3.1 Delegated Authority

The Full Governing Body of Haylands Primary School has overall responsibility for the stewardship of all of the school's finances covering the revenue budget, other budgets delegated or devolved by IWC and any other funds at the school's disposal.

The Full Governing Body of Haylands Primary School will ensure the details required for the annual 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. This is ordinarily completed by 31st March each year.

The Headteacher and School Business Manager, shall:

- Evaluate and recommend the three-year budget plan to the Finance & Resources Committee for review and recommend for approval by the Full Governing Body.
- Review the Finance Policy and propose levels of delegation for approval by the Full Governing Body as part of their Scheme of Delegation.
- Review the Charges and Remissions Policy for approval by the Full Governing Body.

- Review a Pay Policy for approval by the Full Governing Body.
- Make decisions in respect of service agreements and insurance.
- Advise the Full Governing Body of any consultations to change the IWC Scheme for Financing Schools, to allow the school to respond to any consultation.
- Report monitoring and the outturn position to the Full Governing Body, highlighting any significant variances.
- Evaluate any proposed virements as part of the mid-year budget review.
- Evaluate and report on Tenders for Contract Services to the Full Governing Body.
- Keep in-school financial procedures under review.
- Benchmark the school's financial performance and report to the Full Governing Body.

The Headteacher and School Business Manager are 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.

3.2 Internal Financial Controls

The internal financial controls operated by Haylands Primary School follow the financial controls set out in the IWC's Scheme for Financing Schools.

3.3 Financial Links to the School Improvement Plan

The School Development/Improvement Plan has sufficient regard for its financial implications and this is reflected in the school's three-year budget plan.

3.4 Monitoring

Haylands Primary School recognises that the regular monitoring of income and expenditure against the agreed budget is central to effective financial management. To this end, a monthly internal monitoring procedure is carried out, and a monitoring report is taken to the Finance & Resources Committee and the FGB Full Governing Body meetings. Governors should ensure their meetings are timed to ensure any required submission to the IWC is made in a timely fashion (e.g. approved budget, SFVS).

3.5 Insurance

Haylands Primary School is insured through the Isle of Wight Council's Insurance and Risk Section with relevant cover, as identified by the schedule received from them.

3.6 Purchasing

At Haylands Primary School, subject budgets are delegated to subject leaders. 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 school procedures for purchasing items, as laid down in the IWC Contract Standing Orders, paying regard to value for money at all times:

- For orders below £10,000. No formal competition is required, although quotes can be sought in order to demonstrate best value No advert is required.
- For orders between £10,001 and £25,000. The school will seek a minimum of 3 written quotes identified following market research or use a suitable/compliant Framework Agreement as per competition rules of Framework. No advert is required.
- For orders of £25,001 to £100,000. The school will undertake a Formal Request for Quotation process using the open procedure, or use a suitable approved/compliant Framework Agreement. This will be advertised on the IWC, South East Business Portal and Contracts Finder websites.
- For orders over £100,000, specific advice will be sought from the IWC's Senior Finance Business Partner.

If required, purchasing decisions will be minuted at the appropriate Governing Body meeting, in accordance with the Governing Body's Scheme of Delegation.

The school does not enter into any Hire Purchase agreements, Finance agreements or Finance Leases as this constitutes borrowing, which requires the express permission of the Secretary of State for Education.

3.7 Personnel Matters

At the start of every financial year the School Business Manager uses a financial planning tool to calculate the salary costs of all members of staff, including increments, where applicable. These details are incorporated into the school budget planning process.

The Headteacher 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 School's Pay Policy and reports to the Pay Committee.

Any details of salaries are recorded as a confidential item in the minutes.

3.8 Payroll Matters

The payroll provider at Haylands Primary School is the Isle of Wight Council, as employer.

3.9 Safeguard of Assets

All staff at Haylands Primary School are responsible for the security of school assets under their care. School ICT assets are recorded on an asset register, maintained and updated by the school IT technician.

Items of value are held in a locked cupboard/cabinet, wherever possible.

Any writing off and disposal of assets is done so according to the requirements of the IWC's Scheme for Financing Schools.

Where school assets are loaned to staff or pupils, a loans form is completed and signed when borrowing the item and again when the item is returned.

3.10 Income

At Haylands Primary School, 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, any write off will be made in accordance with the requirements of the IWC's Scheme for Financing Schools.

The level of cash kept in the school will be kept to a minimum, through the use of online payment systems. Any cash is stored securely in the large school safe overnight and at weekends, and is recorded and banked promptly. The school does not run a Petty Cash system.

3.11 The School Bank Account

Haylands Primary School operates its school bank account in accordance with the regulations in the IWC's Scheme for Financing Schools. The school operates one current account for the administration of IWC official funds.

Bank account signatories are updated immediately there is a change in staffing and details are copied to the Education Finance Team, as a matter of course.

Haylands Primary School pays suppliers/invoices via cheque or charge card ensuring it adheres to all financial controls within the Scheme for Financing Schools. Two signatories are required on all cheques. Signatories to the bank account are the Headteacher, the School Business Manager and the Deputy Headteacher.

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

3.12 Corporate Cards

Haylands Primary School operates an approved Charge Card in accordance with the IWC guidance.

The approved users are the Headteacher or School Business Manager. The monthly card limit is £2,500.

3.13 Irregularities

All staff at Haylands Primary School are aware of the IWC's Whistleblowing arrangements and to whom they should report concerns. These details are available to staff on the school and IWC websites.

3.14 Data Protection

Haylands 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). Haylands Primary School pays £60 as determined by the ICO. The school has a service level agreement with the IWC for provision of data protection advice and the Data Protection Officer function.

3.15 Information Systems

Haylands Primary School's information systems are password protected and staff laptops are encrypted. Systems are backed up regularly and the backups held securely, virus protection is in place and is updated regularly and the school has an Emergency Plan in place.

3.16 Financial Administration

At Haylands Primary School, two members of staff are trained in the use of the finance software and financial administration procedures, in event of staff absence. These are the SBM and the School administrator.

3.17 Voluntary Funds

At Haylands Primary School we do not hold any voluntary funds.

3.18 Insurance

The school has a Service level Agreement with the Local Authority. This covers all the school's financial risk at a level that is determined by the schools Insurance and Risk officer.