

SCHOOL FINANCE POLICY

Policy Adopted	Jan 2024
Review Date	Mar 2025

HOLT COMMUNITY PRIMARY SCHOOL

A GOVERNANCE	All Implemented, unless stated
<p><u>General</u></p> <ol style="list-style-type: none">1 A list of all governors, their membership of committees and terms of reference thereof, is available in Headteacher's governors file2 The governing body meets every half term.3 Committees of the governing body meet at least once a term4 The governing body agrees, no later than by the end of term, the dates of meetings for at least the next term. <p><u>The Governors</u></p> <ol style="list-style-type: none">5 The Governing body approves the annual budget and the associated policies, eg charging policy, bad debt and redundant equipment policy.6 The governing body is responsible for the overall direction of the school; it determines the school's spending priorities and evaluates the effectiveness of spending decisions. <p><u>The Headteacher</u></p> <ol style="list-style-type: none">7 The governors delegate responsibility for the day-to-day management of the school to the headteacher.8 The headteacher ensures compliance with the financial regulations in Norfolk's Scheme for Financing Schools.9 The headteacher ensures that sound systems of internal control are in place.10 The headteacher compiles draft budgets.	

GOVERNANCE (continued)	All Implemented, unless stated
<p>11 The headteacher monitors the budget monthly and supplies the finance committee with monitoring information. The information for the finance committee takes the form of Norfolk’s budget proforma, includes committed expenditure and is accompanied by the headteacher’s written commentary.</p> <p><u>The Staff</u></p> <p>12 Staff comply with financial regulations in Norfolk’s Scheme for Financing Schools and any school specific requirements.</p> <p>13 Staff are responsible for any budget whose management is delegated to them.</p> <p><u>The F&GP Committee</u></p> <p>14 Membership is determined by the governing body and reviewed annually in the <i>Autumn</i> term.</p> <p>15 As set out in its’ terms of reference, the F & GP committee is responsible for:</p> <ul style="list-style-type: none"> • agreeing draft budgets for the governing body’s approval in time for submission to the LA by 1 May each year • all financial appraisals • forecasting numbers on roll and future budget shares • monitoring and adjusting in-year expenditure • ensuring accounts are properly closed and reviewing the outturn position • evaluating the effectiveness of financial decisions • administering voluntary funds – Holt CP Friends Group produce annual reports to Governors <p>16 Any review of staffing is agreed by the F&GP committee, who assesses the budgetary implications of the recommendations and advises the governing body accordingly.</p> <p><u>Expenditure Limits</u></p> <p>17 The inclusion of an item in the approved budget plan gives authority to spend, save that the headteacher seeks approval from the F&GP Committee for any individual transaction in excess of £5000.</p> <p>18 The headteacher authorises virements up to £5000. Above this amount F&GP Committee approval is sought. All virements are minuted.</p>	
GOVERNANCE (continued)	All Implemented, unless stated

<p><u>Orders</u> 19 Quotations are obtained or tenders sought for purchases exceeding the limits set out in Norfolk's Scheme for Financing Schools.</p> <p><u>Minutes</u> 20 Minutes are taken which record the basis for any decisions made and clearly state the decisions themselves. Draft minutes are circulated to members of the committee within one week of its meeting and are agreed and signed at its next meeting. The minutes of all committees are reported to the governing body.</p> <p><u>Register of Business Interests</u> 21 The headteacher maintains a register of business interest for governors and for staff who influence financial decisions. The register is kept in the office filing cabinet</p>	
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B FINANCIAL PLANNING	All Implemented, unless stated
<ol style="list-style-type: none"> 1 The school development plan includes a statement of its educational priorities to guide the planning process. The school development plan states the priorities in sufficient detail to provide the basis for constructing budget plans. 2 There is a clear, identifiable link between the school's annual budget and the school development plan. 3 For each of the key issues in the school development plan, costs and other inputs are identified and budgets prepared where possible. 4 The school development plan is reviewed in the Spring Term to ensure that educational priorities are stated for the next three years and shows how the use of resources is linked to achieving the goals. 5 The school budget is revised after the review of the development plan and resources identified within the budget to deliver the plan's priorities 6 The school budget is maintained for the current financial year and at least one further year. 	

FINANCIAL PLANNING (continued)	All Implemented, unless stated
<p>7 The budget is based on realistic estimates of all income and expenditure so that planned expenditure does not differ materially from the agreed budget.</p> <p>8 The budget and cash flow forecast are profiled in accordance with likely spending patterns.</p> <p>9 In the event of a budget surplus this is earmarked for a future specified use.</p> <p>10 A record is maintained of all ongoing commitments with explanations of any significant year-on-year changes.</p> <p>11 All new initiatives are appraised by the F&GP Committee in relation to their costs, benefits and sustainability.</p> <p>12 The main elements of the budget are fundamentally reviewed within a five year cycle. Benchmarking information helps to identify priorities.</p> <p>13 The budget cycle is as follows:</p> <p><u>Spring Term</u></p> <ul style="list-style-type: none"> • If necessary, the headteacher prepares a revised budget for the current year for the F&GP Committee to consider at its meeting in the first half of the term. • The budget revision is approved by the F&GP committee. • The approved budget revision is sent to the LA by 28 February. • A draft budget plan for the coming financial year, and at least one further year, is prepared by the headteacher and taken to the F&GP Committee meeting in the second half of the spring term. This will form the basis of the committee's recommendation to the governing body. • The full governing body meeting is arranged to take place after the meeting of the F&GP Committee. The governing body will carefully consider the budget plan and a report from the F&GP Committee before approving the school's budget plan. • The headteacher submits the approved budget plan to the LA by 1 May each year (or 31st March as appropriate). 	

FINANCIAL PLANNING (continued)	All Implemented, unless stated
<p><u>Summer Term</u></p> <ul style="list-style-type: none"> • The headteacher prepares a revised budget for the F&GP Committee to consider. The revision takes account of the actual balance in hand or overspending for the previous financial year. • The budget revision is approved by the F&GP Committee • The approved budget revision is sent to the LA by the end of the summer term. <p><u>Autumn Term</u></p> <ul style="list-style-type: none"> • The headteacher prepares a revised budget for the F&GP Committee to consider. The revision takes account of any changes to the school development plan, staffing adjustments and changes to the number of pupils on roll. • The budget revision is approved by the F&GP Committee. • The approved budget revision is sent to the LA by the end of the autumn term. 	

C BUDGET MONITORING	All Implemented, unless stated
<ol style="list-style-type: none"> 1 The headteacher produces monthly monitoring reports, which include committed expenditure. 2 The F&GP Committee receives the monitoring report. The report takes the form of Norfolk's budget proforma. 3 The headteacher identifies and recommends to the F&GP Committee appropriate remedial action for budget variances. 4 The headteacher recommends to the F&GP Committee how to vire any in-year underspends in excess of £5000 (The headteacher is authorised to vire amounts up to £5000) 5 The headteacher monitors expenditure on initiatives in the school development plan. 6 The headteacher monitors devolved budgets and agrees remedial action plans where necessary. Staff are informed of balances held on a regular basis. 	

D PURCHASING	All Implemented, unless stated
<p>1 All orders comply with the LA's Standing Orders for Contracts as published in Norfolk's Scheme for Financing Schools.</p> <p>2 The school demonstrates value for money through competitive tendering when appropriate or by using ESPO or other approved purchasing arrangements.</p> <p>3 Prior approval of the governors is obtained for any expenditure in excess of £5000. Orders are not artificially split to evade this limit.</p> <p>4 The school will not enter into any "finance lease" and will ensure that any lease entered into is an "operating lease". Leases will be submitted to Children's Services Finance to be checked as to their type before any agreement is entered into.</p> <p>5 Following consultation with governors, 3 written quotations are obtained for any order whose value is estimated at over £7,500.</p> <p>6 If a quotation other than the lowest is accepted, it is reported to governors and the reasons minuted.</p> <p>7 Contract specifications will contain the following:</p> <ul style="list-style-type: none"> • contract duration • definitions • contract objectives • services to be provided • service quantity • service quality standards • contract value and payment arrangements • information and monitoring requirements • procedure for disputes • review and evaluation requirements 	

PURCHASING (continued)	All Implemented, unless stated
<p>8 The majority of orders are placed using the LM official pre-numbered ordering system, except utilities, rent, rates, petty cash and any payments due under a loan/lease agreement. Any urgent verbal order is confirmed by a written order.</p> <p>9 Individuals will not use official orders to obtain goods or services for themselves.</p> <p>10 All orders are signed by an authorised signatory and the finance office maintains an up-to-date list of signatories. This is attached at Appendix C.</p> <p>11 The signatory will be satisfied that the goods or services are appropriate and necessary, that competitive tenders have been obtained where necessary and that there is sufficient budgetary provision.</p> <p>12 Each order placed is entered in the school's financial system as a commitment.</p> <p>13 The school checks goods received against the delivery note and the delivery note is checked against the invoice. The invoice is also checked against the order.</p> <p>14 Payment is made within the agreed time limits after certification by an approved signatory.</p> <p>15 Payment is only made against the original supplier's invoice and not on a statement.</p>	

PURCHASING CARD
<p>We do not currently have a purchasing card.</p>

E FINANCIAL CONTROLS	All Implemented, unless stated
<ol style="list-style-type: none"> 1 A written description of all the school's financial systems and procedures is maintained. These are kept up to date and all appropriate staff trained in their use. 2 The headteacher has secured contingency arrangements to ensure that financial control can be maintained in the absence of key staff. These arrangements are The headteacher will secure all cash with paperwork and keep all documents secure. If more than two weeks, headteacher will contact LA. 3 The headteacher has due regard to separation of duties in organising financial duties. At least two people are involved in the completion of tasks and the work of one acts as a check on the work of the other. 4 The school maintains proper accounting records. All transactions can be traced from accounting records to prime vouchers and all prime vouchers are traceable in the accounting records. The use of correcting fluid is not allowed. Any alterations to original documents are clearly made in ink and initialled to identify the person making the alteration. 5 Documents relating to financial transactions are retained in line with the LA's recommendations, as outlined in Appendix D. (Ref: 4A) 6 All records are securely stored and access allowed only to authorised staff, ie Head teacher, Senior Management Team and Admin Team 7 Where there is a requirement to account separately for earmarked funding the headteacher ensures this is done and that money is spent on its intended purpose. 	

F INCOME	All Implemented, unless stated
<p>1 The F&GP Committee approves the school's charging policy and reviews it annually. The charging policy is held in the school's policy file.</p> <p>2 Proper records of all income due are kept. Lettings are approved by the headteacher in accordance with the governors' policy and recorded in the lettings register. The lettings policy is held in the school's policy file.</p> <p>3 The responsibility of identifying and recording sums due is separated from the responsibility for collecting and banking income.</p> <p>4 Receipts will be issued for cash income of over £50. Receipts are issued to pupils/parents when paying instalments for residential trips. Receipts are printed from Pupil Asset and/or via an Instalment Payment Schedule.</p> <p>5 Pending banking, cash and cheques are locked away.</p> <p>6 Income is banked promptly and in full. Paying-in slips show the analysis between cash and cheques and cheques are individually listed. Income is not used for making any payment or for cashing personal cheques.</p> <p>7 Income recorded in the accounts is reconciled monthly with the bank statement.</p> <p>8 Where invoices are required, they are issued within 30 days.</p> <p>9 The school sends a first reminder for any unpaid invoice after 3 weeks, a second reminder after 6 weeks and a final reminder after 9 weeks. Legal action is considered if a further 14 days' lapse. Debts are written off only in accordance with the school's bad debt policy - attached.</p> <p>10 Any cash transfers between staff are recorded and signed for</p>	

G BANKING	All Implemented, unless stated
<p>For official funds, the school banks with Barclays Bank. The bank account name is NCC HOLT C PRIMARY SCHOOL IMPREST A/C and the bank account number is 10065552, Sort Code 20-62-53</p> <ol style="list-style-type: none"> 1 Bank reconciliations are completed monthly and any discrepancies resolved. 2 The reconciliation statement is signed by the person undertaking the reconciliation and reviewed and countersigned by someone who understands the reconciliation process. 3 Staff never use their private bank accounts for any receipt or payment due to or from the school budget. 4 The school's banker has been advised that the school is not allowed to go overdrawn or negotiate overdraft facilities. 5 The school is not allowed to enter any loan agreement except with the LA. (This does not apply to loans pre-existing at 1 April, 1999). 6 Cheque over £1000 or Staff reimbursements are signed by two authorised signatories, otherwise one authorised signatory is required, supporting vouchers are made available to each signatory to safeguard against inappropriate expenditure. Cheques are not pre-signed. Only manuscript signatures are allowed. 7 All cheques are crossed "account payee". Chequebooks are stored securely when not in use. <p>Where schools use online payments through their bank:</p> <ol style="list-style-type: none"> 8 Headteachers must ensure that the correct staff are assigned the access rights within the banking online system that is appropriate (considering separation of duties) and ensure that these are kept up to date i.e. staff leavers. 9 Online user-ids/cards/Pin numbers are specific to named staff and must not be shared with others. 10 Schools must adhere to the policies laid down by their banker in respect of online payments and ensure that the Data Protection Act is not breached in regards to holding suppliers bank information. 11 Supporting vouchers are made available to each authoriser to safeguard against inappropriate expenditure. 	

12 Each BACS (Bank Automated Credit System) payment batch is signed by an authorised signatory and supporting vouchers are made available to the signatory to safeguard against inappropriate expenditure. The BACS Creator and BACS Authoriser must not be the same person.

Each BACS payment will generate a remittance document, which will be sent to the supplier, either by post or by email, to notify them of their payment having been sent.

13 Any BACS batches over £1000 will be authorised by two authorisers.

14 A copy of the invoice for any individual BACS payment over £10,000 should be emailed to finance.support@educatorsolutions.org.uk to be checked prior to payment.

H PAYROLL	All Implemented, unless stated
<ol style="list-style-type: none"> 1 Personnel procedures, including appointments, promotions and terminations are supervised by the F&GP Committee 2 The headteacher ensures that the duties of authorising any variations to the payroll are separated from the processing of claims. 3 The headteacher ensures that at least two people are involved in completing, checking and authorising any variations to payroll, whether temporary or permanent, and the payment of expenses. 4 Only authorised staff are allowed access to personnel records, ie Headteacher, Deputy Headteacher, Admin team. 5 Arrangements have been made for staff to access their own records. Staff are welcome to ask at the school office for record the school keeps on them. 6 Payroll transactions are processed only through the payroll system; this includes the payment of all expenses and benefits. 7 The headteacher/office staff maintains an up-to-date list of teachers and other staff employed at the school. This is held on Pupil Asset Database and in the office filing cabinet. It is amended as necessary. 8 The monthly reports on payroll transactions are checked against the schools' budget working papers to ensure they match. 	

I PETTY CASH	All Implemented, unless stated
<ol style="list-style-type: none"> 1. The Headteacher determines the level of petty cash to be held. This is currently £100. 2. Cash is held securely in the locked drawer of the Office Manager. 3. Payments from petty cash are limited to minor items, up to £25 in value. 4. Payments from petty cash are approved by the either the Office Manager or Secretarial Assistant, they are supported by appropriate vouchers including a VAT invoice/receipt where necessary and acknowledged by the recipients signature. 5. Proper records are kept of payments into or out of the funds. 6. The petty cash fund is reconciled with the accounting records on a monthly basis. The reconciliation is reviewed and countersigned by the Headteacher (a member of staff not involved in administering the fund). 7. Personal cheques are not cashed from petty cash. 8. At the end of each period the petty cash control sheet must be completed 	

J TAX	All Implemented, unless stated
<ol style="list-style-type: none"> 1 The headteacher ensures that all relevant staff are aware of relevant provisions concerning VAT, tax and the Construction Industry Scheme (CIS) as the LA will pass back to the school any penalties imposed on it arising from an error by the school. 2 Proper VAT invoices are obtained for all transactions involving VAT. 3 The LA's VAT manual for schools gives details of accounting for VAT and is adhered to by the school. <p>All payments falling within CIS are made in accordance with the LA's agreed procedure.</p>	

K VOL UNTARY FUNDS	All Implemented, unless stated
The school does not have a fund account.	

L ASSETS	All Implemented, unless stated
<ol style="list-style-type: none"> 1 The headteacher ensures that stocks are maintained at reasonable levels and are checked physically at least once a year. 2 An up-to-date inventory is be maintained of all items of equipment. Those that are portable, valuable and desirable are identified as school property with security marking. 3 The inventory is checked at least once a year, in the Summer Term. All discrepancies are investigated and any resulting in a loss of £100 or more will be reported to the governors. Any loss exceeding £500 will be referred to the Head of EF & ICT Services. 4 Whenever school property is taken off site, eg musical instruments/computers, they are signed for and the register noted accordingly. The register is held in the school office. 5 The governors have approved a policy in relation to redundant equipment 6 The safe is kept locked and the keys removed and held elsewhere. 7 The school's asset management plan is supervised by the governors' School environment committee. 	

M INSURANCE	All Implemented, unless stated
<ol style="list-style-type: none"> 1 The school reviews all risks annually to ensure that the cover available and the sums insured are adequate. Advice is available from NCC's Risk and Insurance Manager. 2 The governors consider whether to insure against any uncovered risks. 3 The school will notify the LA/its insurers of any new risks or any other alterations affecting existing insurance. 4 The school will not give any indemnity to a third party. 5 The school will immediately advise the LA/its insurers of any accident, loss or other incident which may give rise to an insurance claim. 6 Insurance will cover the use of school property when off the premises, eg musical instruments/computers. Any loss from personal vehicles is not covered. 	

N DATA SECURITY	All Implemented, unless stated
<ol style="list-style-type: none"> 1 Computer systems used for school management are protected by password security. Passwords are changed as indicated by software and more frequently in the event of staff changes. 2 All financial data entered on the LM system is cloud based so there is no requirement to back up data. 3 The Headteacher has established a contingency plan for recovery from an emergency. 4 Only authorised software is provided by Norfolk County Council and is cloud based. <p>The governors ensure that the Data Protection Commissioner is notified in accordance with the Data Protection Act 1998, and that the school's use of any electronic or relevant manual systems to record or process personal information, and any disclosure of that information, complies with the legislation.</p>	

APPENDIX C

Authorised Signatories for Orders

Mr Simon Walters – Headteacher

If the Headteacher is absent, in an emergency, Mrs Samantha Cole (Senior Leadership Teacher), Mrs Kirsty Longwell (SENCO) or Mr Tom Gleeson (Senior Leadership Teacher) can authorise orders.

APPENDIX D

Retention of Financial Records - Where appropriate records detailed apply to both Official & Unofficial Funds)

Record Type	Detail of Record	Minimum Retention Period (years)
Paid Invoices	Paid by on-line direct input (schools' local bank accounts)	6 + 1
Cash Books	Full Books	3 + 1
Imprest Claims	Establishment/departmental copies	2 + 1
Copy of orders/internal requisitions		2 + 1
Delivery notes		2 + 1
Postage records		2 + 1
Cheque stubs	Cancelled & Spoiled Cheques	3 + 1
Daily Transaction Sheets	File Copies	2 + 1
Bank Statements		3 + 1
Petty Cash Records		3 + 1
Educational Visits	Account/supporting documentation, final statements	3 + 1
Contracts	Quotations, tenders	6 + 1
Systems control & data vet reports	For own systems	2 + 1
Records of Controlled Stationery		6 + 1
Payroll Master Records	Paid by on-line direct input	12 + 1
Personnel Records	As held by establishments and/or departments	Retain for one year after the end of the employment
Receipt Books	From date of last receipt in book	6 + 1
Bank paying-in books and slips		6 + 1
Copy debtor accounts		6 + 1
Till rolls		6 months
Cash register control readings		2 + 1
Income collection registers	e.g. meals	2 + 1

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APPENDIX D - Continued		
Letting registers	Including copy receipts	6 + 1
ESPO Order Books		6 + 1
		6 + 1
Inventories	Full books	2 + 1
Stock Records	Ledgers, bin cards, stock tables	2 + 1
Accounting code lists		Current year + 1
Budgetary Control Reports		2 + 1
Commitment records		2 + 1
Dinner Registers		Current year + 2
Accepted tender documents	From end of contract or extension	6 + 1 or 13 + 1 if sealed deed
Contract variations	Changes during the contract term	6 + 1 or 13 + 1 if sealed deed
Record of receipt and opening of tenders	From end of contract or extension	6 + 1
Record of terms and prices offered by all bidders	From end of contract or extension	6 + 1
Signed contracts plus key records e.g. surveys, site plans, bills of quantities	From end of contract or extension	6 + 1
Unsuccessful tenders	From end of contract or extension	2 + 1 NB: Unsuccessful tenders are the property of the tenderer. If he requires return of paperwork it may be necessary to do so. The challenge period for unsuccessful tenders is only three months long - however documents should be retained for 2 + 1)
Unofficial Funds/ Voluntary Funds	Audited accounts/statements, cashbook, and supporting documentation.	3 + 1