

# Stone Bay School.

## Policy Document.

Non Statutory.

### E1: Finance Policy.

Author:	Headteacher & Finance Manager.
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**1 year review cycle.**

**Date for Review:**

**Friday, 30 June 2017**

Signed. Richard Farr. Date: Tuesday, 12 July 2016  
Chair of Governors.

Signed. Billy Mc Inally. Date: Tuesday, 12 July 2016  
Headteacher.

## **Mission Statement.**

We accept all students **as they are** and believe that every one of them is **entitled** to the very **best education**, delivered in an **environment** that is **supportive, caring** and **safe**.

Our goal is to develop our students to become:

- **Successful** Learners.
- As **independent** as possible.
- **Confident** individuals and self-advocates.
- **Effective** communicators and **contributors**.
- **Responsible** citizens.

We will do this by working to **ensure we get every aspect of their provision just right**, helping them to achieve academically, personally, socially and morally.

Stone Bay School: ***“getting it right for every student”***.

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## **1. Introduction**

The Governors of Stone Bay 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**

Stone Bay 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 and timely 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 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. This will include:

E11: Staff related insurance.

E23: Premises, vehicles, Public liability and school trips.

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:
  - Asset register kept by IT manager.
  - Premises manager.
  - Workshop supervisor.
- 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 Corporate 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 Headteacher and the LA's Head of Internal Audit
- The school will adhere to current 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 and Headmaster of Stone Bay School have 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 Headteacher and Finance Manager of Stone Bay 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 Business and Resource Committee 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 Development/Improvement Plan, for approval by the Full Governing Body
- 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 and this delegation should be documented in the Finance Policy.

The Finance Manager is responsible for ensuring that the relevant policies and procedures are in place for orders of goods and services and payment of accounts.

All contracts and service level agreements to be checked and monitored, and a list of renewal dates to be kept by the Financial Manager.

### **3.2 Internal Financial Controls**

The internal financial controls operated by Stone Bay 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 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**

Stone Bay 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 and Finance Manager carry out a monthly internal monitoring procedure, copied to the Chair of the Business Resources Committee. A monitoring report is taken to all meetings of the Business Resources Committee which reports, if required, 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 £8000 The Head teacher, reported to the Business Resources Committee
- Virements from £8000 – £15000 The Business Resources Committee
- Virements over £15000 – Full Governing Body
- Virements will not be applicable for Stone Bay School when in deficit.

### 3.5 Insurance

Stone Bay School is insured through Kent County Council (KCC) with relevant cover, as identified by the schedule received from the LA's Insurance section.

Stone Bay School does not purchase Money Cover through the Safe Hands scheme and therefore recognises that cash is not insured.

### 3.6 Purchasing

At Stone Bay 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 Improvement Plan. The budget holders are listed on the attached appendix.

All staff adhere to the school procedures for purchasing items, paying regard to value for money at all times. The Headteacher 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, in summary:

- For orders in excess of £8,000, but less than £50,000, three written quotations are obtained and submitted to the Business 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 orders over £100 must be signed by authorised signatories, who have delegated powers from the Head Master. It is also required that signatories are also employed by KCC.
- School Governors and employees have a responsibility to avoid any conflict between their business and personal interests and the affairs and interests of the school.
- Separation of duties for the four key stages in the ordering and payment processes have been put in place by the Finance Manager to comply with audit criteria.
- The Full Governing Body or delegated committee should regularly review contracts and agreements for major purchases of goods or services, to ensure that value for money is achieved.

All of the above will be minuted at the appropriate 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**

Stone Bay School, at the start of every financial year the KCC representative uses a financial planning tool to calculate the salary costs of all members of staff, including increments, where applicable. These details are used by the Business Resources Committee for incorporation into the school budget planning process.

The Business Resources 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 reports to the Full Governing Body.

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

### **3.8 Payroll Matters**

The payroll provider at Stone Bay School is Capita Business Services Ltd who provides payroll services to the specification laid down by the LA. The Head teacher, or designated deputy signs off the monthly payroll reports once they have been checked for accuracy by the HR Manager.

### **3.9 Safeguard of Stocks, Stores and Assets**

All staff at Stone Bay School are responsible for the security of school assets. Co-ordinators, subject leaders 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 or designated deputy.

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 over £1000, the Business 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**

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 Schools Financial Services Manager.

We have agreed a level of cash to be held in school at any one time as £500. Cash will be receipted, recorded and banked promptly at all times.

### **3.11 The School Bank Account**

Stone Bay School operates its school bank account(s) 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.

#### Bank Account Signatories for Stone Bay School

- Billy McInally Head Teacher
- Joe White Assistant Headteacher
- Lucy Taylor Assistant Headteacher

Stone Bay School pays suppliers/invoices by cheque payments ensuring it adheres to all financial controls within the Scheme for Financing Schools.

Bank statements at Stone Bay School are received at least on a monthly basis and reconciled immediately by the Finance Manager. The Head teacher or designated deputy signs and dates the bank statement when the reconciliation has been checked.

### 3.12 Petty Cash

Petty Cash is held securely at all times and the limit for petty cash is £500. The amount of petty cash which is withdrawn at any time is £500. At Stone Bay School petty cash transactions are kept to a minimum and the maximum value of any one transaction is £40.00. For anything above this 48hrs notice is required. The recommended amount by KCC is £25 at any one time however due to the nature of the school and the student's money is used for student learning for example cafe experiences and food shopping. 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. Records are kept of all transactions.

### 3.13 Corporate Cards (If Applicable)

Stone Bay School operates an approved Corporate Card in accordance with the LA guidance.

- Approved User: Head of Care monthly card limit is £2000.00
- Approved User: Finance Manager monthly card limit is £1000.00
- Approved User: Head of catering monthly card limit £1000

**Personal credit / Debit cards will not be used for the purchase of items for the school.**

### 3.13 The Voluntary Fund

In addition to the LA's official funds, Stone Bay School also operates a school Voluntary Fund, adopting the procedures in the LA's School Voluntary Fund Guidance. We recognise that our Voluntary Fund is an additional source of income and that the controls over its use need to be as rigorous as for the administration of the school's delegated budget. We have appointed KCC auditors who is independent of the school to audit the Voluntary Fund accounts on an annual basis. All monies for the Voluntary Fund are held securely and separately from those of the school budget.

Signatories for the voluntary fund:

- Richard Farr: Chair of Governors.
- Billy Mc Inally Headteacher.
- Joe White Assistant Headteacher.

- Martyn Nash Head of Care.

### **3.13 Irregularities**

All staff at Stone Bay School are aware of the LA's Whistleblowing arrangements and to whom they should report concerns. These details are available to staff in their staff handbook.

### **3.14 Data Protection**

Under the terms of the Data Protection Act 1998, the Headteacher 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.

### **3.15 Financial Administration**

At Stone Bay School, two members of staff are trained in the use of the finance software and financial administration procedures, in event of staff absence. We also purchase a support contract through the Schools Financial Services which is reviewed on an annual basis, allowing us the option to purchase additional support, if required.

Stone Bay School have a designated Schools Financial Services contact at KCC who deals with the budget monitoring and staffing costs for Stone Bay School.



**Appendix 1. Budget Holders: 2015 – 2016.**

<b>Cost Centre Description</b>	<b>Cost Centre Code</b>	<b>Budget Holder</b>
Recruitment	D01	Nikky Howe
Travel & Subsistence	D02	Billy McNally
Clothing Allowance	D03	Annette Dignum
Staff Dev Costs	D04	Billy McNally
Medical Injections	D09	Jon Bailey
Trade Union Duties	D10	Billy McNally
Staff Insurance Premiums	D12	Billy McNally
Building Maintenance	E01	Annette Dignum
Grounds Maintenance	E02	Annette Dignum
Cleaning & Caretaking	E03	Annette Dignum
Residential Unit - Princegate	E04	Chanelle Stevens
Residential Unit - Kingsgate	E04	Diane Smith
Residential Unit - Yorkgate	E04	Jon Bailey
Residential Unit - Castlegate	E04	Mirielle Birchenough
Residential Unit - Queensgate	E04	Vicky Bowyer
Hygiene Services - Contracted In	E06	Annette Dignum
Security	E15	Annette Dignum
Premises Insurance	E16	Billy McNally
Refuse Collection	E17	Annette Dignum
Residential Linens	E20	Annette Dignum
Health & Safety	E26	Annette Dignum
Utilities - Water & Sewage	F01	Annette Dignum
Utilities - Electricity	F02	Annette Dignum
Utilities - Gas	F03	Annette Dignum
Curriculum General	H00/H08	Billy McNally
ICT for Classroom - Resources	H01	Joe White
Enrichment Activities	H02	Nicky Todd
Pupil Premium Expenditure	H03	Lucy Taylor
6th Form (16-19)	H05	Louvain Scott
KS3 (11-14)	H06	Lucy Taylor
KS4 (14-16)	H07	Joe White
Student Council	H09	Louvain Scott
Ink Cartridges - Curriculum	H10	Joe White
Sports Grant (KCC)	H11	Michael Setterfield
Art/DT	H12	Deller Keller
PE	H13	Michael Setterfield
Jacuzzi & Sensory (maintenance)	H14	Annette Dignum
Information Technology (Non curriculum)	H15	Tony Butt

Vocation/Work Experience	H16	Louvain Scott
Yr 7 Catchup - English & Mathematics	H17	Lucy Taylor/Nina Thirtle
Music (Grant from Sound Hub)	H18	Deller Keller
English & Literacy	H20	Lucy Taylor
Science	H21	Jo Debling
Humanities - RE, Geog & MFL	H24	Nicky Todd
Workshop & Go-carts	H25	Steve McDonald
PSHE/Citizenship	H27	Louvain Scott
AQA	H28	Louvain Scott
Communications (Makaton&Symbols)	H29	Jayne Arnold
Play Ground/Beach	H31	Annette Dignum
Horticulture	H32	Louvain Scott
Mathematics	H33	Nina Thirtle
Computing	H36	Joe White
ASDAN	H37	Louvain Scott
Photocopy Costs - Curriculum	HP1	Nicky Howe
Residential Educational Resources	HR01	Martyn Nash
Admin Supplies	I01	Nicky Howe
Admin Equip/ICT	I02	Nicky Howe
Telephones / Mobiles	I03	Billy McNally
Postage	I04	Nicky Howe
Bank Charges	I05	Billy McNally
Professional Services - Other	I07	Billy McNally
Schools in Financial Difficulty	I08	Billy McNally
Residential Medical & Toiletries	I09	Martyn Nash
Catering - Supplies	J01/J04	Susan Jones
Residential Special Activities	J03	Chanelle Stevens
Water Coolers Hire & Cups	J06	Annette Dignum
Catering - Maintenance	J10	Sue Jones
Brought in Prof Services (Curriculum)	J16	Billy McNally
Governors Expenses	J18	Billy McNally
SCIP Network	J22	Billy McNally
Vehicle Maintenance	T04	Annette Dignum
Vehicle Fuel	T05	Annette Dignum