Bromstone Primary School & St.Mildred's Primary Infant School

Federation

Finance Policy

Senior Team Responsibility: Business Manager

Governors' Reviewing Committee: Leadership and Management

Approved on: 7th October 2026

.

Next Review Date: September 2027

Associated Documentation: TBC

Finance Policy

1. Introduction

The Governors of Bromstone Primary School and St.Mildred's Infant 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 Executive 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

Bromstone Primary School and St.Mildred's Infant School Finance Policy will adhere to the following principles;

- The responsibilities of the Governing Body, The Leadership & Management Committee, the Executive Headteacher and staff will be clearly defined and limits of delegated authority established, where applicable.

The ***Leadership & Management Committee*** is responsible for taking steps to ensure that expenditure reflects best value principles. This is done by;

- Using performance data and financial benchmarking to ***compare*** to other 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 schools 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 Improvement Plan, which indicates the resource implications of each priority.

The budget will be subject to effective monitoring, allowing the Governors, Executive 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 the OneCard Card is strictly controlled.
- The School does not operate a Voluntary Fund or any other non-public fund.
- 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.

In addition, St. Mildred's will ensure that:

- The use of petty cash is strictly controlled

3. Putting Policy into Practice

3.1 Delegated Authority

The ***Full Governing Body*** of the Federation of Bromstone Primary School & St.Mildred's Infant 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.
St.Mildred's Infant School Voluntary Fund.

The ***Full Governing Body*** of the Federation of Bromstone Primary School & St.Mildred's Infant School of 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 ***Leadership & Management 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 Improvement Plan, for approval by the Full Governing Body.

- To review annually the Finance Policy and agree levels of delegation for approval by the Full Governing Body.

- To review annually 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 and report to the FGB.

- 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 Executive 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 is delegated by the Executive Headteacher to the school's Business Manager.

3.2 Internal Financial Controls

The internal financial controls operated by Bromstone Primary School and St.Mildred's Infant School follow the 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

Bromstone Primary School and St.Mildred's Infant School recognises that the regular monitoring of income and expenditure against the agreed budget is central to effective financial management. To this end, the Executive Headteacher carries out a monthly internal monitoring procedure, copied to the Chair of the ***Leadership & Management Committee***. A monitoring report is taken to all meetings of the ***Leadership & Management Committee*** which reports, as 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 need to be carried out. Virements to the approved budget are minuted appropriately and require the following authorisation:

Virements up to £8,000 - The Executive Headteacher, reported to the ***Leadership & Management Committee.***

Virements up to £10,000 – The ***Leadership & Management Committee***

Virements above £10,000– The Full Governing Body

3.5 Insurance

Bromstone Primary School and St.Mildred's Infant 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 except for school travel insurance.

Bromstone Primary School and St.Mildred's Infant School have taken out additional insurance cover through KCC to cover cash held on school premises and cash in transit. The sum covered is £ 3,000 for cash kept in the school safe and £10,000 cash in transit.

3.6 Purchasing

At Bromstone Primary School, budgets are delegated to Curriculum Team Leaders, Phase Leaders and Classroom Teachers.

At St.Mildred's Infant School budgets are delegated to Curriculum Teams and Class teachers. Budget holders prepare a 'needs budget' for their area of responsibility, which is approved by the Executive Headteacher in line with the priority needs of the school and the School Improvement Plan. A list of authorised signatories, containing name, position, budget held and value of budget, should be held in school as an appendix to the Finance policy **(See Appendix B)**

All staff adhere to the KCC procedures for purchasing items, detailed in financial control no7, ensuring 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.

Where the school purchases larger items, we adhere to the procedure for Spending the Council's Money as laid down in the Scheme for Financing Schools

In summary:

· For purchases up to £24,999* one written quotation.

· For purchases of £25,000* and up to the current public procurement threshold, three written quotations are obtained and submitted to the Finance Committee or FGB for approval according to the TOR responsibilities.

· For purchases above the public procurement threshold for goods and services, or above £1m for works, a tendering procedure compliant with public procurement regulations is required.

*These limits should be viewed as upper limits. It may be more appropriate to consider a lower limit dependant on school standing and local knowledge. If applicable, please amend values.

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.

3.6.1 Leases

Please refer to Scheme for Financing section 3.6 and Finance control no3 for full details.

The distinction between operating and finance leases has ended, however there are strict criteria for allowable leases not needing the consent of the Secretary of State (detailed in the scheme and controls). All leases are classed as borrowing.

Any lease a school enters into must be done so within the parameters of the School's Finance Policy and Spending the Councils Money.

Schools should seek advice before entering into any lease or asset rental or buy-back scheme to ensure it is legal. All lease agreements are subject to the rules on contracts and the relevant limits apply.

All leases will now count in principle as capital, unless the total value of the lease is below the local capitalisation threshold. Where a lease counts as capital, it must not be included in the revenue expenditure lines E12 to E25. Instead, it must be included in E30 as direct revenue financing of capital.

3.7 Personnel Matters

At Bromstone Primary School and St.Mildred's Infant School, at the start of every financial year the Business Manager uses KCC's BPS School Budget System to calculate the salary costs of all members of staff, including increments, where applicable. These details are used by the ***Leadership & Management Committee*** for incorporation into the school budget planning process.

The ***Leadership & Management Committee*** undertakes an annual review of the Executive Headteacher's salary, and recommends enhancements, if applicable, to the Full Governing Body for approval.

The Executive Headteacher oversees the 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 Bromstone Primary School and St.Mildred's Infant School is HR Connect, who provides payroll services to the specification laid down by the LA.

By the 20th of the following month the following procedures will have taken place (subject to school holidays):

1. The payroll reports will be checked for accuracy, reconciled, signed and dated by the reconciling officer.
2. The Business Manager (if not the reconciler) will check and countersign the payroll reports.
3. The Executive Headteacher or authorised signatory will check and countersign the payroll reports.

3.9 Safeguard of Stocks, Stores and Assets

All staff at Bromstone Primary School and St.Mildred's Infant School are responsible for the security of school assets. Phase Leaders, Subject Teams and class teachers safeguard their assets. All school assets are recorded on "Assettrac", the schools asset register, maintained and updated by the Site Manager and IT Technician. All items are checked at least on an annual basis and certified by the Executive Headteacher or designated deputy.

Items of value are held in a safe, wherever possible and all items are visibly security marked to deter theft.

Where assets are written off and disposed of, the ***Leadership & Management 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 Bromstone Primary School and St. Mildred's Infant School the Lettings Policy is reviewed and approved on an annual basis by the Governing Body.

Where debts are required to be written off, after every effort has been made by the Executive 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 school has taken out additional insurance to cover cash held in the school safe and cash in transit as mentioned in Section 3.5 above. Cash will be receipted and recorded promptly and banked on a weekly basis. All cash is kept in a locked safe.

3.11 The School Bank Account

Bromstone Primary School and St.Mildred's Infant School operate their school bank accounts in accordance with the regulations in the LA's Scheme for Financing Schools. The schools operate 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.

Bromstone Primary School and St.Mildred's Infant School pays suppliers/invoices via online banking/BACS ensuring it adheres to all financial controls within the Scheme for Financing Schools.

Bank statements at Bromstone Primary School are received on a monthly basis and reconciled to the school's local system.
Bank statements at St.Mildred's Infant School are received on a weekly basis and reconciled to the school's local system.

Bank statements should be reconciled to the accounting system each month using a statement no older than seven days, and any discrepancies resolved.

The Executive Headteacher or Heads of School or Business Manager signs and dates the bank statement when the reconciliation has been checked within 14 days.

3.12 Petty Cash

At Bromstone we do not have petty cash.

At St Mildred's Petty Cash is held securely at all times and the limit for petty cash is £100.
Petty cash transactions are kept to a minimum and the maximum value of any one transaction is £30.00. 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.

Staff <u>must not</u> use their own cash, personal debit or credit 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

Bromstone Primary School and St.Mildred's Primary Infant School operate approved onecards and these are held as an additional method of payment in accordance with the LA . The approved users are as follows:-
Bromstone:
Business Manager (Clair Leach) - Credit Limit £11000 / Single Transaction Limit £2000
Catering Manager (Bev Tovell) – Credit Limited £5000 / Single Transaction Limit £750
St.Mildred's:
Business Manager (Jeannette Read), Site Manager (Dave Turner),

Heads of School (Elena Hill and Hannah Crutchley)

Card holders will not exceed the following limits:

Mrs E Hill	£1000 single transaction	£2000 monthly limit
Mrs EH Crutchley	£1000 single transaction	£2000 monthly limit
Mrs J Read	£2500 single transaction	£8000 monthly limit
Mr D Turner	£1000 single transaction	£2000 monthly limit

The Governors/executive Head decide the limit of each card and whether any merchant categories need to be blocked.
Any subsequent changes must be in writing to Schools Financial Services

The Natwest onecards are kept in their personal possession at all times as per KCC guidelines. Personal credit cards are not used for the purchase of items for the school.

3.14 The Voluntary Fund

Bromstone Primary School does not operate a voluntary fund.
St.Mildred's Infant School does not operate a voluntary fund.

3.15 Fraud and Irregularities

Bromstone Primary School and St Mildred's Primary Infant School have a robust system of controls to safeguard themselves against fraudulent or improper use of public money and assets.

The Schools have:

· An Anti-Fraud, Bribery and Corruption policy

· A Whistleblowing policy

All Staff are made aware of these policies and particularly to whom they should report any concerns. This information is included in the staff handbook at induction for new school staff and governors. It is also available for all staff via the school website.

3.16 Data Protection

Bromstone Primary School and St. Mildred's Infant 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). The school pays £60 as determined by the ICO. The schools designated Data Protection Officer is Alan Martin.

3.17 Information Systems

Bromstone Primary School and St.Mildred's Infant School has 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.

3.18 Financial Administration

At Bromstone Primary School, two members of staff are trained in the use of the finance software and financial administration procedures, in event of staff absence. At St.Mildred's Infant School one member of staff is 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.