Stocks Green Primary School

Learning to Live , Living to Learn

Finance Policy 2026

Last Reviewed	October 2026
Next review	October 2027
Persons responsible	SLT/Finance officer/Full Governing Body
Governor committee	F&P

1. Introduction

The Governors of Stocks Green 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 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

Stocks Green 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 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 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.
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 petty cash is strictly controlled (presently not applicable – Stocks Green is a cashless school)
- The use of a Nat West onecard is strictly controlled
- 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
- The school has access to Schools' Financial Services in the event of a long term absence. The school also has access to an experienced member of staff on a zero hour contract. This could be accessed if required.

3. Putting Policy into Practice

3.1 Delegated Authority

The Full Governing Body of Stocks Green Primary 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 (e.g. the School Voluntary Fund).

The Full ***Governing Body*** of Stocks Green Primary 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 ***Finance and Premises 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 the Finance Policy and agree levels of delegation for approval by the Full Governing Body
- To review and agree the Charges and Remissions Policy, Governors Allowances Policy, Anti-Bribery Policy and Lettings Policy
- To draft the School Financial Value Standard (SFVS) 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 (if applicable)
- 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.

3.2 Internal Financial Controls

The internal financial controls operated by Stocks Green Primary School follow the controls set out in the LA's Scheme for Financing Schools. Any additional internal financial controls included within the school's financial procedures are reviewed by the Finance and Premises Committee and ratified by the Governing Body.

3.3 Financial Links to the School Improvement Plan

The ***School Improvement Plan*** for Stocks Green Primary School 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

Stocks Green Primary School recognises that the regular monitoring of income and expenditure against the agreed budget is central to effective financial management. To this end, the School Business Manager carries out monthly internal monitoring reviewed by the Headteacher and copied to the members of the Finance and Premises Committee. A monitoring report is

taken to all meetings of the Finance and Premises 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 may need to be carried out. Virements to the approved budget are minuted appropriately and require the following authorisation:

Virements up to £5,000 - The Headteacher, reported to the Finance and Premises Committee

Virements from £5,000-£10,000 – The Finance and Premises Committee

Virements over £10,000 – The Full Governing Body

3.5 Insurance

Stocks Green Primary 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.

Stocks Green Primary School does not purchase Money Cover through the Safe Hands scheme and therefore recognises that cash is not insured.

3.6 Purchasing

At Stocks Green Primary 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.

All staff adhere to the school procedures for purchasing items, as laid down in the School's Staff Handbook, 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 (www.kent.gov.uk/publications/business/spending-councils-money.htm), in summary:

- The Headteacher can approve decisions concerning expenditure or a contract value up to £5,000 without further reference.

- For orders in excess of £5,000 but less than £10,000 can be approved by the Finance & Premises committee. Three written quotations should be sought.

- Orders above £10,000 but less than £50,000 should be approved by the Full Governing Body. Three written quotations should be sought.

- For orders in excess of £50,000, no fewer than three competitive tenders must be sought and submitted to the Full Governing body for approval.

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 Stocks Green Primary School, at the start of every financial year the ***Headteacher*** uses the three year salary calculator provided by KCC to calculate the salary costs of all members of staff, including increments, where applicable. These details are used by the Finance and Premises Committee for incorporation into the school budget planning process.

The ***Pay and Performance 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 Stocks Green Primary School is outsourced to a payroll provider, who provides payroll services to the specification laid down by the LA. The Headteacher, or designated deputy, signs off the monthly payroll reports once they have been checked for accuracy.

3.9 Safeguard of Stocks, Stores and Assets

All staff at Stocks Green Primary School are responsible for the security of school assets. Co-ordinators, subject managers and class teachers safeguard their assets and help maintain the asset register. The school has an asset register which is checked at least on an annual basis by the ICT Technician and the Site Manager and certified by the Headteacher. This is held in the office with a copy also held off site.

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 in excess of £1,000, the Finance and Premises Committee agrees this on behalf of the Governing Body and the agreement is minuted.

Where school assets are loaned to staff or pupils, a loans book, which is held in the office, is completed and signed upon borrowing the item and again upon the item's return.

3.10 Income

At Stocks Green Primary 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 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.

We have agreed a level of cash to be held in school at any one time as £200. Cash will be receipted, recorded and banked promptly at all times.

3.11 The School Bank Account

Stocks Green Primary School operates its school bank accounts 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.

If Stocks Green Primary pays suppliers/invoices via online banking/BACS it ensures that all financial controls within the Scheme for Financing Schools are adhered to.

Bank statements should be received/printed at least monthly and reconciled to the accounting system each month using a statement no older than seven days, and any discrepancies resolved. The reconciliation statements should be signed as checked by the School Business Manager and countersigned by the Headteacher.

3.12 Petty Cash

Stocks Green Primary School does not operate a petty cash system.

Staff must not 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

Stocks Green Primary School operates an approved onecard in accordance with LA guidance. (*refer to Financial Control no7*) The approved users are:

Cardholder and/or Position	Single transaction limit	Monthly card limit
Peter Hipkiss, the Headteacher	£2000	£2000
Ken Till , Site Manager	£1000	£1000
Joe Endersby, Deputy Head	£1000	£1000

Cash is the only blocked item of expenditure.

3.14 The Voluntary Fund

In addition to the LA's official funds, the School also operates a school Voluntary Fund. 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 someone 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

- – a separate constitution is held outlining the running and control of the fund . *see appendix A*

3.15 Fraud and Irregularities

Stocks Green Primary school has a robust system of controls to safeguard themselves against fraudulent or improper use of public money and assets. The following policies in place :

- An Anti-Fraud, Bribery and Corruption policy
- A Whistleblowing policy
- A Gifts and Hospitality policy (and annually complete the associated register).

All Staff are made aware of these policies and particularly to whom they should report any concerns. As good practice this information is included in the induction process for new school staff and governors.

3.16 Data Protection

Stocks Green 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). Stocks Green Primary School pays £35 as determined by the ICO.

3.17 Information Systems

Stocks Green Primary 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 Stocks Green Primary School, there is only one member of staff fully trained in the use of the finance software and financial administration procedures. Other admin staff have some financial procedures knowledge to handle a short term absence. However, in the event of long term 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 area support, if required. The Headteacher delegates responsibility for the day to day administration procedures to the School Business Manager. Schools Financial Services can be contacted on 03000 415415.

Signed……
Date……
(Chair of Governors)

Signed……
Date:…….
(Chair of Finance & Premises Committee)

Signed……
Date:……. (Headteacher)