



## Lamberhurst St Mary's CEP (VC) School

# Finance, Charging & Remissions, and Governor Allowance Policy

(Taken from the KCC / Schools Financial Services Model Policy, May 2018 and Tenax Charging & Remissions Policy, Jan 2020)

This policy will be reviewed annually and at any other time if changes are required to comply with changes in legislation, regulation or national or KCC advice. Any amendments will require the approval of the full Governing Body. A copy is stored online in the Teacher Area of the school server.

Date of approval by Resources Committee	28 September 2015
Reviewed and amended:	23 May 2016 4 December 2017 8 January 2019 23 March 2020
Date due for review	Spring Term 2021

## 1. Introduction

The Governors of Lamberhurst St Mary's 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

Lamberhurst St Mary's 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 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 the school credit card 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 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** of Lamberhurst St Mary's CE Primary 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 (e.g. the School Voluntary Fund).

The **Full Governing Body** of Lamberhurst St Mary's CE 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 **Resources 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
- 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
- Evaluate and recommend the annual Best Value Statement and present to the Full Governing Body for approval

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 Lamberhurst St Mary's CE Primary 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**

Lamberhurst St Mary's CE 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 Headteacher carries out a monthly internal monitoring procedure, copied to the Chair of the Resources Committee. A monitoring report is taken to all meetings of the Resources 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 in accordance with its timetable. 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 Headteacher, reported to the Resources Committee

Virements up to £10,000 – The Resources Committee

Virements over £10,000 – The Full Governing Body

### **3.5 Insurance**

Lamberhurst St Mary's CE Primary School is insured through **the Kent County Council (KCC) 'Safe Hands' Scheme**

Lamberhurst St Mary's CE Primary School does not purchase Money Cover through the Safe Hands scheme and therefore recognises that cash is not insured through the LA's insurance policy.

### **3.6 Purchasing**

At Lamberhurst St Mary's CE Primary School, budgets managed by the Headteacher in discussion with Subject Leaders and class teachers who prepare a 'needs budget' for their area of responsibility, which is then approved by the Headteacher in line with the priority needs of the school and the School 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.

As a matter of good practice, orders over £1,000 have three quotations sought.

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](http://www.kent.gov.uk/publications/business/spending-councils-money.htm)), in summary:

- For orders in excess of £8,000, but less than £50,000, three written quotations are obtained and submitted to the Resources Committee for approval and report to the Full Governing Body
- For orders in excess of £50,000, no fewer than three competitive tenders are 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.**

### **3.7 Personnel Matters**

At the start of every financial year the Headteacher 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 Resources Committee for incorporation into the school budget planning process.

The Performance Management 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 Lamberhurst St Mary's Primary School is Capita Business Services Ltd, 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 Lamberhurst St Mary's Primary School are responsible for the security of school assets. Co-ordinators, subject managers and class teachers safeguard their assets and maintain asset registers, which are checked at least on an annual basis and certified by the Headteacher or designated deputy. Other school assets are recorded on a general asset register, maintained and updated by the school office.

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, the 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**

At Lamberhurst St Mary's Primary School, the Lettings Policy is reviewed and approved on a biennial 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 Schools Financial Services Manager.

Since the LA does not insure for cash held on the school premises, 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**

Lamberhurst St Mary's Primary 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 statements at Lamberhurst St Mary's Primary School are received on a monthly basis and reconciled to the school's local system immediately. The Headteacher or designated deputy signs and dates the bank statement when the reconciliation has been checked.

### **3.12 Petty Cash**

Petty Cash is not used at Lamberhurst St Mary's Primary School.

### **3.13 Corporate Cards**

Lamberhurst St Mary's Primary School operates an approved Corporate Card in accordance with the LA guidance. The approved user/s is/are staff nominated by the Headteacher. The Headteacher is the nominated approved user. The credit limit for the Corporate card is £1,500. The Corporate Card will be kept in the safe at all times when not in use. Where possible personal credit cards are not used as a matter of course for the purchase of items for the school.

### **3.14 The Voluntary Fund**

All Voluntary fund items are now incorporated into the main school budget as a secure and separate designated budget heading.

### **3.15 Irregularities**

All staff at Lamberhurst St Mary's Primary School are aware of the LA's Whistleblowing arrangements and to whom they should report concerns to. These details are available to staff on the computer 'Teacher Area' of the school server.

### **3.16 Data Protection**

Tenax Schools Trust (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). Lamberhurst St Mary's Primary School is an Associate Member of Tenax Schools Trust.

### **3.17 Information Systems**

Lamberhurst St Mary's 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 Lamberhurst St Mary's Primary 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.

## **4. Lamberhurst St Mary's School Charging & Remissions Policy**

The Governors of Lamberhurst St Mary's School believe that all students should have an equal opportunity to benefit from school activities and visits.

All the education we provide during normal school hours is at no charge to pupils. We do not charge for any activity undertaken as part of the National Curriculum, with the exception of some individual or small-group music tuition and some offsite visits.

### **Voluntary contributions**

When organising school trips or visits to enrich the curriculum and the educational experience of the children, the school invites parents and carers to contribute to the cost. All contributions are voluntary. If we do not receive sufficient voluntary contributions, we may need to cancel a trip. Parents who have financial difficulty in making such contributions are invited to speak in confidence to the Headteacher who will try to organise some financial assistance. We do not treat these children differently from any others.

Parents and carers have a right to know how each trip is funded and the school provides this information on request.

The following is a list of additional activities, organised by the school, which require voluntary contributions from parents and carers. These activities are known as 'optional extras'. This list is not exhaustive:

- visits to museums;
- sporting activities which require transport expenses;
- outdoor adventure activities;
- visits to a theatre company;
- school trips abroad;
- musical events.

### **Residential visits**

When the school organises a residential visit it may be in school time, or mainly in school time. Charges are made to cover the costs of board, lodging and adventurous activity instruction and equipment. If we cannot raise sufficient funding through these voluntary contributions, the visit may have to be cancelled, and that aspect of the curriculum would have to be covered in other ways.

### **Music tuition**

All children study music as part of the normal school curriculum. We do not charge for this. There is a charge for individual or small-group music tuition, since this is an additional curriculum activity, and not part of the National Curriculum. These individual or small-group lessons are taught by peripatetic music teachers. We make a charge for these lessons. We give parents and carers information about additional music tuition at the start of each term.

### **Swimming**

When the school organises swimming lessons for children in Key Stage 2, these take place in school time and are part of the National Curriculum. We make a charge for



this activity, to cover the cost of transport and specialist swimming coaches, however we try to source the pool use free of charge. We inform parents and carers when these lessons are to take place, and we seek the written permission of parents or carers for their children to take part.

### **Breakfast Club and After School Clubs and activities**

The school offers a wide range of afterschool clubs and activities and a Breakfast Club which runs every school day morning. These clubs are optional extras and all carry a charge. Support for cases of hardship come through negotiation of free places and financial contributions from benefactors.

Principles of 'Best value' are applied when planning activities that incur costs to the school and/or charges to parents.

The Governing Body are kept up to date via the Headteacher's report in respect of school trips and clubs. Further information relating to charging is available to the Governing Body and parents/carers in the school office.

### **Damage/Loss to Property**

A charge may be levied in respect of wilful damage, neglect or loss of school property (including premises, furniture, equipment, books or materials), the charge to be the cost of replacement or repair, or such lower cost as the Headteacher may decide.

### **Remissions Policy**

The Headteacher or Governing Body may remit in full or part charges in respect of a pupil, if it feels it is reasonable in the circumstances.

The Headteacher or Governing Body may decide not to levy charges in respect of a particular activity, if it feels it is reasonable in the circumstances.

Parents who may qualify for support are those who are eligible for:

- Income Support
- income-based Jobseeker's Allowance
- income-related Employment and Support Allowance
- support under Part VI of the Immigration and Asylum Act 1999
- the guaranteed element of Pension Credit
- Child Tax Credit (provided you're not also entitled to Working Tax Credit and have an annual gross income of no more than £16,190)
- Working Tax Credit run-on - paid for 4 weeks after you stop qualifying for Working Tax Credit
- Universal Credit - if you apply on or after 1 April 2018 your household income must be less than £7,400 a year (after tax and not including any benefits you get)

Depending on the current personal circumstances of the parents involved, pupil premium grant may be used to remit a percentage of the charges for eligible pupils at the discretion of the Headteacher, where they otherwise would not be able to access the activity.

The principles of best value will be applied when planning activities that incur costs to the school and/or charges to parents.

### **Additional Considerations**

The Governing Body recognises its responsibility to ensure that the offer of activities and educational visits do not place an unnecessary burden on family finances. To this end we will try to adhere to the following guidelines:

- We give as much notice of visits as is reasonably practicable (and their approximate cost) so that parents can plan ahead;
- We have established a system for parents to pay in instalments for more expensive visits;
- When an opportunity for a trip arises at short notice it may be possible to arrange to pay by instalments beyond the date of the trip on request;
- We acknowledge that offering opportunities on a “first pay, first served” basis discriminates against pupils from families on lower incomes and we will avoid that method of selection.

## **5. Governor Allowances Policy**

The Governing Body of Lamberhurst St Mary's has discussed and agreed that although Governors have the right to apply for allowances, the current members do not wish to do so, with the exception of travel expenses. This will be reviewed annually and may be withdrawn at any time. A £50 budget has been set aside from the school budget for emergency needs and this matter will be discussed and reviewed annually.

Governors may claim for significant travel expenses, when incurred in carrying out additional duties or attending training as a governor or representative of the school.

Mileage allowance will be reimbursed at the prevailing rate for school staff. Where Governors share transport, only the driver may claim mileage expenses.

Any such costs must be sanctioned by the Headteacher before they are committed.

### **Claiming Expenses**

To minimise administrative burden for the school, governors should claim in arrears on a termly basis unless the amount to be claimed is substantial. Claims should be submitted on the appropriate expense claim form which is available from the school office.

Each claim must be authorised by the Headteacher and submitted to the school office for payment. All claims will be reimbursed by cheque.

Since expense payments form part of the expenditure of public funds, claims will be subject to independent audit as is all school expenditure. If claims appear to be excessive or inconsistent the Governing Body may ask for further details.