

Financial Management and Probity Policy

To be read in conjunction with the Protected Disclosure Policy and the Effective Buying Statement.

1.0 Introduction

This policy sets out the main principles and procedures for financial management and control in the school.

2.0 General Policy

- 2.1 The policy of the Governing Body is to use all funds received for the running of the School for the benefit of the education of the children and to manage funds in accordance with its Effective Buying Statement.
- 2.2 To ensure that all staff are familiar with these procedures they should each be given a summarised version of the financial procedures which directly affect them e.g. how to order resources, when to get quotations, cash procedures and inventory arrangements. The actual task of implementing the financial procedures is the responsibility of the School's Administration Officer (SAO). Teaching staff are not expected to carry out this administration tasks. New members of staff joining the school are given an 'Induction Booklet' and an opportunity to talk to the Senior Admin Officer (SAO) regarding the role of a SAO. SAO will hold the completed Induction Booklets.

3.0 Conflicts of Interest

- 3.1 All Governors and staff must complete the Register of Conflicts of Interests and update it annually. The Register is a public document and the Head of Teaching and Learning (HoTaL) and the Governing Body should be aware of its contents and ensure that staff and Governors withdraw from discussion and decisions as required.
- 3.2 The HoTaL and other staff should declare all consultancies and other out of school income as a pecuniary interest. This applies even if the resulting income is paid into the school budget prior to any additional payment being made.
- 3.3 Any potential conflict of interest should be declared at the start of a meeting of the Governing Body. Declaration of interests should appear as a standard item on all agendas.

4.0 School Budget

- 4.1 The management and control of the approved school budget is managed by the Full Governing Body. The day-to-day management of the budget is delegated to

the HoTaL and is reviewed by the Executive Headteacher.

- 4.2 Monitoring of the school finances is an ongoing process. The FGB shall review all aspects of the school's budget each year with regular monitoring.
- 4.3 Based on paragraph 4.2 above the FGB will recommend a proposed budget for the following financial year in sufficient time for it to be reviewed and approved by the Governing Body and submitted to the LA before the end of May. It will include a statement of assumptions on how it has been constructed and how effective buying will be achieved.
- 4.4 The budget spending plan shall be constructed in line with the School Improvement Plan (SIP) to ensure that the educational requirements of the pupils are met and that the environment within the school is at a high standard. As the school's budget allocation from the LA is mainly based on pupil numbers fluctuations in these should also be monitored closely by the HoTaL and reviewed with the FGB.
- 4.5 The HoTaL will work closely with the FGB in monitoring the school's finances. An up-to-date written statement of the school finances shall be included in the HoTaL's report to the Governing Body meetings (at least every term). The format shall summarise monthly expenditure. It shall be written for the Governors to fully understand the school's financial position. The report will be available prior to the arranged meeting. The review and any action shall be minuted. Detailed reports (BC10) are available to the Chair of Governors and the Whole Governing Body should more information be required. Monthly BC10 Reports are posted on the Governor's area of the school website.

5.0 Salaries

- 5.1 Salaries/wages shall be paid to teaching and non-teaching staff in accordance with agreed the Hampshire Pay Model, taking into account local agreements and in accordance with the School's Pay Policy.
- 5.2 All salaries shall be reviewed annually and this responsibility is to be delegated to the HoTaL following Local Authority procedures (Hampshire Manual of Personnel Practice). The Governors' Pay Committee shall review the recommendations. Salary Statements shall be sent to all members of staff annually advising them of their salary position. Salary Statements shall be signed by the Chair of Governors. No staff governor shall be a member of this committee.
- 5.3 Only the HoTaL will have the authority to make changes to payroll payments which directly affect the agreed payroll budget including staff changes, increases in pay, signing weekly time-sheets and overtime / lettings payments. The

exception to this will be where the Chair of Governors authorises any changes in the Executive Headteacher's pay.

- 5.4 All payroll payments are monitored monthly by the SAO and the HoTaL to ensure that changes and additional payments that have been authorised and that they are in line with the budget plan in respect of the school staff. This is regularly reviewed by the Executive Headteacher.
- 5.5 Where staff absence is causing a concern and affects the school budget beyond the planned supply limit, Governors will be informed.

6.0 Purchasing

- 6.1 The Governing Body will ensure that the principles of obtaining effective buying are always followed.
- 6.3 The HoTaL has delegated responsibility to authorise purchases of goods and services approved in the approved delegated budget and up to £3,000. However, in emergencies for amounts above £3,000, and particularly those not included in the original budget or development plans, the Chair of Governors and the Vice-Chair should be consulted and the expenditure and its circumstances reported as soon as possible to all Governors or, at the latest, to the next meeting of the Governing Body.
- 6.4 Verbal quotations will be obtained for orders of less than £2,500 and a record kept of the companies contacted and quotations.
- 6.5 For purchases over £5,000 tender procedures shall be carried out in accordance with LA regulations. The best value tender shall be accepted unless there are exceptional circumstances approved by the FGB.
- 6.6 Orders involving leases must be referred in advance to the LA Finance Group to ensure best value.
- 6.7 Only official orders shall be used for purchases and these should fully describe the items required and agreed price. The county SAP system and procedures will be followed. Where urgency necessitates a verbal, faxed or email order this shall be followed by an official signed order. Copy orders are maintained in all cases in hard copy, filed alphabetically.
- 6.8 The SAO will ensure that sufficient funds are available within the budget before orders are authorised by the HoTaL.

- 6.9 Goods and services shall be checked against orders for accuracy by someone other than the SAO. Wherever possible the suppliers goods received number should be retained with the school's copy order.
- 6.10 Payment shall not be made until a proper invoice has been received, checked for accuracy and delivery and certified as such by the SAO.
- 6.11 The use of the school's purchasing card is held by the SAO and admin asistant and will only be used to purchase items with the authority of the HoTaL. All users of the card are trained in its use and understand the limitations of use. The use of the card will be in accordance with Local Authority (Financial Services) procedures. The limit of the card is £2500. The SAO has responsibility for ensuring all purchases, using the card, are properly declared within the school's budgets.

7.0 Stocks and Stores

- 7.1 All stocks and items in store shall be properly organised. All staff have the responsibility of reporting low stock to the school office, preferably the SAO, particularly of curriculum consumables.
- 7.2 There is an annual review of usage for both purchasing requirements and to ensure there has been no waste or extravagance.

8.0 Inventory of School Assets

- 8.1 The SAO shall be responsible for maintaining the school Central Inventory (for items above £200 or of an attractive nature) which will also show the method of funding. The inventory will normally be updated at the time of purchase.
- 8.2 Individual members of staff will be responsible for the care and safekeeping of the items within their areas and following the procedures stated in the Security Policy and the Acceptable User Policy.
- 8.3 All changes to the inventory will be agreed and recorded by the SAO including temporary moves such as use at home (to comply with insurance arrangements) except for Teachers' Laptops which are signed over to teachers whilst they are in employment at the school.
- 8.4 All ICT equipment is security marked using a police approved UV sensitive pen. The SAO will decide whether or not it is appropriate for any item to be security marked.

- 8.5 Any income from the sale of any item shall be credited to the schools delegated budget account unless the item was originally funded from the schools voluntary fund or similar account.
- 8.6 The Admin assistant will undertake an annual audit of the contents of the inventory. Any significant discrepancies will be reported to the HoTaL, Governing Body and Local Authority and in circumstances decided by Internal Audit and the LA the police will be informed.

9.0 Income

- 9.1 The HoTaL will identify expected income for inclusion in the budget. Potential income will be maximised and will be based on fees and charges for all potential sources of income and approved by the Governing Body.
- 9.2 The FGB will receive reports on the level of income generated against the income policy at least every term.
- 9.3 The FGB will oversee all matters relating to the letting of school premises. The responsibility for setting appropriate charges for lettings in line with Local Authority Policy has been delegated to the HoTaL.

10.0 Accounting and Banking

- 10.1 It is the intention that teaching and teaching support staff do not handle monies.
- 10.2 Parents and carers are asked to place cash/cheques in a clearly labelled sealed envelope and hand this to a member of staff, preferably in the school office. This should contain the child's name, their class, the amount of money enclosed and the purpose for the payment.
- 10.3 The admin assistant/SAO shall ensure that all monies paid into the school are appropriately logged and receipts issued when appropriate. Income for the Official Account shall be receipted using Tucasi Software.
- 10.4 The maximum limit of cash and/or cheques to be held on school premises shall be in accordance with the Hampshire Policy and in the school safe.
- 10.5 The nature of cash makes it very attractive and vulnerable to loss, it is therefore vital that secure arrangements are in place for its safekeeping.

11.0 Travel Claims

- 11.1 The HoTaL shall authorise travel claims made by staff.
- 11.2 No member of staff, including the HoTaL, may authorise their own travel claim. Travel claims by the HoTaL must be authorised by the Executive Headteacher or the Chair of Governors in their absence.
- 11.3 Governing Bodies will delegate to the school's SAO the checking of the claim on their behalf before the Executive Headteacher or Chair of Governors signs the HoTaL's claim.
- 11.4 Claims may only be made for visits approved in advance by the appropriate member of staff. It is acceptable to give approval for various categories of visits rather than each individual event. Claims for unauthorised visits may be approved but only after the reasons for the visit have been ascertained and if the person authorising the visit is satisfied that it is for legitimate school business.
- 11.5 The mileage for each visit must be accurately recorded and verified. Claims should only be made for excess mileage over and above the normal journey from home to school. For example where a journey is made from home directly to a course venue the actual mileage less the normal home to school journey should be claimed.
- 11.6 Receipts for the purchase of fuel, parking, tolls and public transport fares must be submitted with the claim following Local Authority Guidance.
- 11.7 All claims should be submitted on an official travel claim form and should be retained by the school for a period of seven years.
- 11.8 The provision of lease cars or payment of car allowances must be agreed in advance by the Governing Body and comply with County procedures. There are two car leasing schemes, subsidised and unsubsidised. The subsidised scheme is only open to employees who have held a continuous permanent employment contract since at least 1st May 1995. The unsubsidised scheme is open to all, including new employees, who meet the eligibility criteria.

12.0 Travelling abroad

- 12.1 From time to time teaching staff may be invited to undertake an educational visit abroad as part of their professional development. All such visits must be agreed in advance by the Governing Body and the Governors' decision recorded in minutes. Agreement for visits during term-time should normally be given only if the Governing Body is satisfied that significant educational benefit will accrue to the school as well as the visit benefiting the person's professional development. The Governing Body may wish to seek advice on this from the Area Director (Education and Inclusion). Often educational visits abroad are part or fully funded by an

external body such as the EU, the DfE, the SSAT or UNESCO. Where part of the costs is to be borne from school budgets, the Governing Body must satisfy themselves that this represents value for money for the school.

- 12.2 Where the person chooses to extend the time abroad on an educational visit to enable him / her to take a holiday an appropriate proportion of any costs should be paid for by the individual. No payment of personal and private foreign travel costs is permitted.

13.0 Claims for other expenses

- 13.1 Parking, public transport fares, subsistence (i.e. meals) can only be claimed at the level of and in accordance with county rules and the production of VAT receipts

14.0 Hospitality

- 14.1 The use of school funds to entertain visitors on or off the school site should only occur where it is likely to result in substantial benefits to the education of the school's children and should be specifically approved by the Governing Body if expenditure is likely to be greater than £100.
- 14.2 There may be occasions when it is judged appropriate for staff to undertake training in the form of a team building activity. It is recommended that:
- the benefits to the school of the activity are to be identified in advance of the event
 - Governing Body approval is obtained before any commitment to the event is made
 - Contract Standing Order requirements are met to ensure that the venue and event give best value for money to the school.

15.0 Consultancy

- 15.1 It is appropriate for the HoTaL and senior staff to undertake consultancy work or contribute to educational conferences, but all such work must be specifically authorised in advance by the Governing Body, after taking into account the overall effectiveness of the school and its capacity to work effectively in the absence of the senior staff. The extent of consultancy work must be approved by the Governing Body and fully recorded in the minutes of the relevant meeting. The Governing Body should review annually any agreement they have with their head to undertake paid work outside the school.
- 15.2 All fees resulting from payments for consultancy should be paid into the school's main account.

15.3 Agreements about all work incurring additional payment to the HoTaL or senior staff must be notified to the person in writing and retained on file. Advice may be sought from Education Personnel Services but responsibility for decisions in this area rests with the Governing Body. In particular, staff must not be paid from two sources for the same working time. If supply agency costs have been incurred, then these must be deducted from the income before any additional payment is agreed.

15.4 All payments arising from consultancy must be made through payroll and in accordance with the guidance in the Hampshire Manual of Personnel Practice.

16.0 Gifts

16.1 The HoTaL, along with all other staff, must declare and record in Governing Body minutes any individual gifts received for their personal use of value above £25. Gifts are not generally appropriate for staff working in the public services and such offers must be reported to senior staff and the Governing Body. Leaving presents will not be included as no single individual contribution is likely to exceed £25.

17.0 Debt Recovery

17.1 The school operates a 'prevention' approach to debt recovery. The SAO will notify the HoTaL whenever an invoice is unpaid after the first reminder has been sent out.

17.2 The school will seek to recover any debt from all those that purchase, hire or loan services, equipment or outstanding invoices from the school.

17.2. The school will adhere to the Debt Recovery Policy procedure as defined by the Local Authority (Financial and Legal Services)