

'Nurtured We Flourish'



Harrietsham Church of England Primary School

Finance Policy

Policy lead:	Becci Masterson
Responsibility:	Business Leader
Date approved by Governing Body:	November 2025
Governor signature:	Rebecca Emson (Chair)
Review date:	November 2026

Harrietsham Church of England Primary School Finance Policy

School Context:	3
1.Introduction	4
2.Principles	4
3.Putting Policy into Practice	5
3.1 Delegated Authority	5
3.2 Internal Financial Controls	6
3.3 Financial Links to the School Improvement Plan.....	6
3.4 Monitoring and Virements	6
3.5 Insurance.....	6
3.6 Purchasing	6
3.7 Personnel Matters	7
3.8 Payroll Matters.....	7
3.9 Safeguard of Stocks, Stores and Assets.....	7
3.10 Income	8
3.11 The School Bank Account.....	8
3.12 Petty Cash.....	8
3.13 NatWest onecard.....	9
3.14 The Voluntary Fund (not applicable)	9
3.15 Fraud and Irregularities.....	9
3.16 Data Protection.....	9
3.17 Information Systems	9
3.18 Financial Administration.....	9

'Nurtured We Flourish'

School Context:

Harrietsham CEP Vision Statement

We are a warm, welcoming, and inclusive school rooted in our rural community. Like the mustard seed we grew from tiny beginnings and our branches are now spread wide –providing support and taking our values beyond the school gates. All those in our community feel safe and nurtured - able to flourish and grow academically, spiritually, emotionally and physically to achieve their full God-given potential.

“Nurtured we flourish”

We are a nurturing school. As such we believe in, and follow, **The Six Principles of Nurture** in all of our practice.

1. Children’s learning is understood developmentally.
2. The classroom offers a safe base.
3. The importance of nurture for the development of wellbeing.
4. Language is a vital means of communication.
5. All behaviour is communication.
6. The importance of transition in children’s lives.

Our Values

The roots of our vision are in the parable of the Mustard Seed.

‘The kingdom of heaven is like a mustard seed, which a man took and planted in his field. Though it is the smallest of all seeds, yet when it grows, it is the largest of garden plants and becomes a tree, so that the birds come and perch in its branches’.

Matthew 13 31-32

In order to grow and reach our potential, everything that we do in school is driven by our vision and underpinned by our core Christian values of:

Love, Fellowship and Forgiveness

1.Introduction

The Governors of Harrietsham Church of England 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

Our Finance Policy adheres 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 Development/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.

'Nurtured We Flourish'

- 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 NatWest **onecard** is strictly controlled.
- The School Voluntary Fund and any other non-public funds are administered as rigorously as public funds – if applicable.
- 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.

3.Putting Policy into Practice

3.1 Delegated Authority

The Full **Governing Body** 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** 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 Personnel 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 approve the Finance Policy and agree levels of delegation.
- 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 (If applicable).

'Nurtured We Flourish'

- 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 is delegated to the School Business Lead and other members of administration staff at the discretion of the Headteacher.

3.2 Internal Financial Controls

The internal financial controls 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 Development/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

The 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 Finance and Personnel Committee. A monitoring report is taken to all meetings of the Finance and Personnel 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 £8,000 - The Headteacher, reported to the Finance and Personnel Committee.
- Virements from £8, 000 to £15,000 – The Finance and Personnel Committee.
- Virements over £15,000 – The Full Governing Body.

3.5 Insurance

Insurance is held through ***the Kent County Council (KCC) 'Safe Hands' Scheme*** with relevant cover, as identified by the schedule received from the LA's Insurance section.

3.6 Purchasing

The school sets indicative budgets for subject leaders and class teachers but all spend is agreed by the Headteacher, Deputy Headteacher or the Business Leader.

'Nurtured We Flourish'

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 Headteacher, Deputy Headteacher or Business leader 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](http://www.kelsi.org.uk/policies-and-guidance/finance-guidance-and-policies/scheme-for-financing-schools) as laid down in the [Scheme for Financing Schools](http://www.kelsi.org.uk/policies-and-guidance/finance-guidance-and-policies/scheme-for-financing-schools) (<http://www.kelsi.org.uk/policies-and-guidance/finance-guidance-and-policies/scheme-for-financing-schools>).

In summary:

- For purchases up to £24,999* (exc VAT) it is considered good practice to hold one written quotation.
- For purchases of £25,000* (exc VAT) and up to the current public procurement threshold, three written quotations are obtained and submitted to the Finance and Personnel Committee or the 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.

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.

3.7 Personnel Matters

At the start of every financial year the **Headteacher & School Business Leader** 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 **Finance and Personnel Committee** for incorporation into the school budget planning process.

The **Headteacher 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

Our payroll provider is **HR Connect** who provides payroll services to the specification laid down by the LA. The Headteacher signs off the monthly payroll reports once they have been checked for accuracy by the School Business Leader.

3.9 Safeguard of Stocks, Stores and Assets

All staff are responsible for the security of school assets. Co-ordinators, subject leaders and class teachers safeguard their assets and regularly check stock and equipment relevant to their area.

Non-ICT school assets are recorded on an asset register, maintained and updated by the School Business

'Nurtured We Flourish'

Leader & Site Manager. ICT assets are recorded on a separate register which is maintained by the IT technician. These registers are checked at least on an annual basis and certified by the Headteacher.

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 to be written off and disposed of, the Finance and Personnel 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 loan agreement is completed and signed when borrowing the item and again when the item is returned.

3.10 Income

The Lettings Policy is reviewed and approved 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. (schoolfunding@kent.gov.uk).

The total cash (income & petty cash) held in the school must not exceed the schools cash insured levels. Cash is insured up to £500 (as per schools insurance policy schedule).

Cash will be receipted, recorded to the system and banked regularly, at least once a term (or sooner if insured limit is reached) without exception.

3.11 The School Bank Account

The 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 when there is a change in staffing and details are copied to Schools Financial Services, as a matter of course.

Suppliers and Invoices are paid via BACS ensuring it adheres to all financial controls within the Scheme for Financing Schools. The school also has the ability to issue cheque payments, requiring two signatures.

Bank statements are received/printed out on at least a monthly basis and reconciled in accordance with LA guidelines (*refer to Finance control no1*). The Headteacher signs and dates the bank statement as soon as possible after the reconciliation has been checked.

3.12 Petty Cash

The 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

Approved **onecard**/s are held as an additional method of payment in accordance with the LA guidance. (*refer to Financial Control no7*)

The approved users are the Deputy Headteacher & Site Manager.

Position	Single transaction limit	Monthly card limit
Deputy Headteacher	None	£5,000
Site Manager	None	£2,000

3.14 The Voluntary Fund (not applicable)

The school does not operate a Voluntary Fund.

3.15 Fraud and Irregularities

All schools must have a robust system of controls to safeguard themselves against fraudulent or improper use of public money and assets.

Schools must ensure they have:

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

All staff at Harrietsham Church of England Primary School 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. These details are also available to staff on the school website and information regarding whistleblowing procedures are also displayed around the school.

3.16 Data Protection

The 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 £55 as determined by the ICO. The schools designated Data Protection Officer is Adam Halsey, Invicta Law Ltd.

3.17 Information Systems

A password protection procedure is adhered to as laid down in the code of conduct. 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

Ideally two members of staff are trained in the use of the finance software and financial administration procedures, to cover any 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.