



# **Finance Policy**

## **November 2020**

Working together for a successful future

## FINANCE POLICY

### Queensgate Foundation Primary School

#### Policy Review

This policy will be reviewed in full by the Governing Board on an annual basis.

The policy was last reviewed and agreed by the Resources Committee on 26<sup>th</sup> November 2020

It is due for review on November 2021 (up to 12 months from the above date).



Signature .....

Head Teacher

Date: 26<sup>th</sup> November 2020



Signature .....

Chair of Governors

Date: 26<sup>th</sup> November 2020

Version/Date	Amendments
V1 08.10.19	Pg 3. Removal of 3 <sup>rd</sup> paragraph
	Pg 4. Role of Headteacher – amend bullet pt 1 to read “ <i>delegate financial oversight to the Bursar</i> ”
	Pg 4. Role of Headteacher – delegate final bullet point to the bursar
	Pg 5. Additional bullet point under Spring Term to read “ <i>prepare and submit FSVS to Local Authority</i> ”
	Pg 6. Data Protection section reworded
	Pg 6. Remove Training section
	Pg 7. Monitoring the Effectiveness of the Policy – delegated to Resources Committee
	Pg 7. School Policy – second paragraph, remove “ <i>financial policies &amp; procedures</i> ”
	Pg 8. Internal audit – add reference to SFVS
	PG 9 – Remove telephone extension numbers

We are committed to having in place sound financial controls in order to ensure that money is correctly handled, apportioned and accounted for. We believe we provide value for money and that we are worthy custodians of public money.

When planning the budget we will consider the school's objectives as outlined in the School Development Plan (SDP), the school's current financial position, changes in the pupil roll, curriculum provision and other main costs such as staffing, premises, supplies and services, service level agreements and transport.

## **Aims**

- To provide sound financial controls so that money is accountable and transparent
- To achieve value for money and be worthy custodians of public money
- To make budgetary decisions for the benefit for the children of this school
- To raise standards by making the correct budgetary decisions
- To work with other schools to share good practice in order to improve this policy

## **Responsibility for the Policy and Procedure**

### **Role of the Governing Board**

The Governing Board has:

- delegated powers and responsibilities to the Resource Committee to formulate the budget for each financial year linking decisions to the School Development Plan
- delegated powers and responsibilities to the Headteacher to ensure all school personnel and visitors to the school are aware of and comply with this policy
- to ensure that the school complies with all financial standards
- to ensure good financial management and honesty are in place
- to achieve best value for money
- responsibility for ensuring that the school complies with all equalities legislation
- nominated a designated Equalities governor to ensure that appropriate action will be taken to deal with all prejudice related incidents or incidents which are a breach of this policy
- responsibility for ensuring funding is in place to support this policy
- responsibility for ensuring this policy and all policies are maintained and updated regularly
- responsibility for ensuring all policies are made available to parents
- responsibility for the effective implementation, monitoring and evaluation of this policy

### **Role of the Resources Committee**

The main role of the Resources Committee is:

- to formulate the budget for each financial year linking decisions to the School Development Plan
- to monitor the implementation of the budget
- to put forward recommendations to the Governing Board for ratification

### **Role of the Headteacher**

The Headteacher will:

- delegate financial oversight to the Bursar
- establish good financial systems
- establish security systems to protect staff
- organise financial training

- present termly financial reports to the Governing Board
- work closely with the bursar to monitor the budget
- provide costings on the School Development Plan which are linked to the budget
- ensure all school personnel, pupils and parents are aware of and comply with this policy
- provide leadership and vision in respect of equality
- provide guidance, support and training to all staff
- monitor the effectiveness of this policy

## **Bursar**

The Bursar will:

- work closely with the Headteacher to provide an efficient and effective financial system
- be well trained in the operation of the Schools Information Management System
- prepare termly financial reports for the Governing Board
- attend training organised by the Headteacher
- be in regular discussion with all budget holders
- annually report to the Governing Board on the success and development of this policy

## **Budget Holders (Subject Leaders)**

All budget holders will:

- manage an area of the school budget as specified by the Head
- monitor expenditure with the Bursar
- prepare annual bids for the annual budget planning
- prepare reports when necessary
- provide the best value criteria when ordering resources

## **Budget Preparation**

We have in place a timetable or annual cycle to monitor the budget and to prepare for the next financial year. The annual cycle is:

### **Autumn term**

- Mid-financial year meeting of the Resources Committee to monitor progress
- The new SDP is completed
- Subject leaders complete their spending for the year
- Full Governing Board to review and agree three-year budget plan

### **Spring term**

- The Headteacher and Bursar draft a budget for the next financial year after receiving the new indicative budget.
- Consideration is given to the:
  - new SDP
  - national strategies
  - school pay policy
  - bids from subject leaders
- The Resource Committee meets to consider draft budget.
- Budget agreed and set
- Subject leaders informed of their budgets
- Prepare and submit the Schools Financial Value Standard (SFVS) audit to Local Authority

## **Summer**

- Carry forward from last financial year finalised

## **Monitoring of the Budget**

We have in place an effective and efficient system for monitoring the budget:

- The Headteacher and Bursar prepare and present termly reports to the Resources Committee
- Weekly meetings take place between the Headteacher and Bursar.
- A monthly auditing of the budget takes place.

## **Financial Controls**

We have in place sound financial controls:

- All financial transactions are authorised, documented and recorded
- All financial records and documents are held securely
- All computer files are backed up
- Clear job descriptions are in place and adhered to

## **Security of Assets**

The following are in place to ensure the security of all assets:

- An inventory is in place
- All cash is kept in a safe

## **Risk Management and Insurance**

The Governing Board has in place:

- Public liability insurance
- Insurance for the school
- Health and safety policies
- Risk assessments

## **Data Protection**

The School will comply with the Data Protection Act (2018).

## **Role of School Personnel**

School personnel will:

- comply with all aspects of this policy
- implement the school's equalities policy and schemes
- report and deal with all incidents of discrimination
- attend appropriate training sessions on equality
- report any concerns they have on any aspect of the school community

## **Role of Parents**

Parents will be made aware of this policy.

## **Raising Awareness of this Policy**

We will raise awareness of this policy via:

- the school website

### **Monitoring the Effectiveness of the Policy**

Annually (or when the need arises) the effectiveness of this policy will be reviewed by the Resources Committee and the necessary recommendations for improvement will be made to the Governing Board

### **Fraud, Corruption and Bribery**

Fraud is a criminal offence. The Fraud Act 2006 defines 'fraud' as:

1. Deceit, the intention to deceive or secrecy: and
2. (a) an actual loss or gain;  
(b) the intent to cause loss to another or expose them to the risk of it;
3. Dishonesty.

Offences of fraud can include abuse of position, making of a false statements, failure to disclose information, obtaining services dishonestly, deception, theft, misappropriation, embezzlement, forgery, corruption, extortion, false accounting, false representation, concealment of material facts, acts of conspiracy, collusion and aiding and abetting any act of dishonesty.

Bribery is a criminal offence and the Bribery Act 2010 introduces a clearer regime for tackling bribery. A definition is – inducement for an action which is illegal, unethical or a breach of trust. Inducements can take the form of gifts, loans, fees, rewards or other advantages.

### **School Policy**

The Governing Board is committed to take action to prevent, detect and deter fraud, corruption and bribery in all its activities.

This policy must be read in conjunction with the following policies – Whistle-blowing, financial policies & procedures, including delegation and Safer Recruitment procedures.

The school will ensure probity in administration and governance by taking positive action against all forms of fraud, corruption or bribery affecting school business whether it is from internal or external sources.

### Governors

There is a specific duty expected of the Governors to set an example to the employees of the school and the community by acting with integrity, honesty and in a trustworthy manner befitting the school.

Members of the Governing Board will set the standard for the school and therefore give their full support to all systems and controls in place to assure probity. In particular, governors have a personal responsibility to abide by the school's constitution, the Scheme for Financing Schools and Contract Standing Orders for Schools.

The Governing Board has a legal responsibility for the school budget and will ensure a sound system of internal control is in place in the use of delegated and other funds given to the school.

### Headteacher and senior staff

The Headteacher and senior members of staff are expected to set high examples of conduct in their day to day work, which are beyond reproach.

The Headteacher, with assistance from the school's School Business Manager or bursar, bears overall responsibility for systems of financial control and may be liable to be called to account for specific failures.

However all senior staff and other managers are responsible for ensuring an effective system of risk management and internal control exists within their areas of responsibility and that those controls operate effectively. Managers must take a lead in terms of fraud prevention and will be held accountable for not undertaking this as part of their position of trust and area of responsibility.

The Headteacher is responsible for ensuring the school's policy in relation to fraud is communicated to all staff.

#### All staff

This policy applies to all employees of the school. It also applies to consultants, temporary staff, contractors and vendors and any other parties with a business relationship with the school

All members of staff are expected to share this commitment to help the school protect the public funds to which it has been entrusted. All staff have a duty to assist the school in the prevention of fraud and are expected to alert their line manager where they believe the opportunity for fraud exists because of poor procedures or lack of appropriate supervision. All employees are expected to report any cases of suspected fraud, no matter how trivial they may seem.

All staff are expected to be fully accountable during their employment with the school, to follow the school's policies, financial procedures and any relevant professional code and to comply with all laws and regulations applicable to the school's business.

As stewards of public funds, staff must have, and be seen to have, high standards of personal integrity. Staff should not accept personal gifts, hospitality, or benefits of any kind from a third party that may be seen to compromise that integrity.

#### Internal Audit

The annual SFVS will report on the existence and effectiveness of control systems and as part of the audit process may advise on best practice. The findings and recommendations of reports will be implemented promptly.

#### **Prevention**

Prevention is the most desirable factor in dealing with any fraud. Unfortunately, not all systems are always fool proof in stopping the committed fraudster.

Governors, school management and staff will carry out their responsibilities as outlined above.

#### **Detection**

Internal Audit carry out audits of all schools based on an assessment of the risk management. Internal Audit regularly liaises with External Audit and will refer any suspected fraud or irregularity to the S151 officer, the Head of Corporate Governance and Monitoring Officer at Isle of Wight Council

All staff have an obligation to report concerns to school management. In addition a **Council Whistle-blowing Hotline** The Council's Monitoring Officer - 01983 821000. The Council's Section 151 Officer - 01983 821000. The Head of Resources - 01983 821000 for cases where school staff feel it is necessary to report their suspicions in a confidential manner. All staff will be made aware of the school's Whistle-blowing Policy.

#### **Investigation**

Where any matter that might constitute fraud, theft, corruption or bribery comes to the attention of any governor, the Headteacher or member of the SLT it will be in the first instance investigated by the Headteacher to ascertain the basic facts.

Subject to the findings the matter must be referred to the Corporate Anti-Fraud Team (CAFT) and/or chief finance officer, both parties will then liaise and it a decision will be made as to whether it will be dealt with by CAFT or a full internal investigation will be carried out.

The Head of Corporate Governance and Monitoring Office at Isle of Wight Council is responsible for investigating all allegations of suspected fraud. The Team has full right of access to examine any documents or contents of school property. This also includes examination of computers, and related equipment and interviews with staff.

The Head of Corporate Governance and Monitoring Office at Isle of Wight Council has been designated this responsibility to ensure consistency in dealing with all allegations of fraud, to ensure a detailed and proper investigation is carried out by skilled investigators, and to ensure the Council and its maintained schools' assets and interests are protected and/or recovered where applicable.

The Head of Corporate Governance and Monitoring Office at Isle of Wight Council will work closely with the Chair of Governors and Headteacher in fraud related cases involving disciplinary investigation, action and hearings. Where fraud is proven, this constitutes gross misconduct and cases will be dealt with appropriately, according to school's disciplinary procedures.

It is recognised that being subject to an investigation can be a stressful experience, therefore all investigations will be handled as quickly as possible and confidentially to ensure the person under investigation is dealt with in an appropriate and timely manner.

### **Deterrence**

The Governing Board views fraud as a serious offence against the school and employees will face disciplinary action if there is evidence to support any allegation of fraud. Disciplinary action may be taken in addition to, any criminal proceedings, depending on the circumstances of each case.

The Isle of Wight Council has an established a Counter Fraud Prosecution Policy which clarifies the authority's position with regard to prosecutions and to deter those who may attempt to commit offences against the authority or its schools.

The Governing Board endorses the Council's Prosecution Policy and is committed to deterring potential cases of fraud through the implementation of robust systems and procedures and will act quickly and efficiently where fraud is alleged, leading to the most appropriate outcome.

It will take all steps possible to ensure appropriate penalties are sought in cases where fraud is proven, strenuously attempt recovery of any monies lost as a result of fraud and thoroughly assess the systems and processes to ensure fraud is minimised in future.

The Governing Board will ensure its policy is communicated to staff and the community.