

Enterprise Learning Alliance Finance Policy



Version Control

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FINANCEPOLICY

Enterprise Learning Alliance School

1. Introduction

The Finance Scrutiny Committee for the Enterprise Learning Alliance 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 Executive Headteacher - Micheala Clay and the Finance Scrutiny Committee have drawn up this Finance Policy to provide the guiding principles for which all Governors and staff will operate within the traditional model of Governance – i.e. Finance/Finance Scrutiny Committee

This Policy has been drawn up in accordance with the Local Authority's (LA) Scheme for Financing Schools.

2. Principles

Enterprise Learning Alliance School Finance Policy will adhere to the following principles:

- The responsibilities of the Finance Scrutiny Committee and Executive Headteacher along with staff will be clearly defined and limits of delegated authority established, where applicable.

The Full Management Committee are responsible for taking steps to ensure that expenditure reflects best value principles. This is done by;

- Using performance data to compare attainment and other outcomes from all PRUs nationally, and with similar PRUs
- Using the information gained to challenge performance and set new targets
- Where financial benchmarking is available, using it to compare expenditure with similar PRUs
- Using fair competition through quotations and tenders, ensuring resources and contracts for services are secured in the most economic, efficient and effective way
- Continuing Best Practises resulting in the fairest way in purchasing bulk/large items for the ELA
- Consulting parents on policy development and major changes in the use of resources

The Finance Scrutiny Committee will convene ahead of Full Management Committee Meetings in order to provide an initial layer of scrutiny, clarification and challenge. Key points of discussion and lines of enquiry will be carried forward for wider discussion by the Full Committee. In this manner it is the role of the Finance Scrutiny Committee to

help to focus Full Committee resources in more complete and robust examination of the most important matters arising. At all times the Full Committee remains able to visit areas and concerns beyond those raised by the sub-committee.

The Enterprise Learning Alliance 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 ELA'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 Finance Scrutiny Committee and or Management Committee, Executive 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 ELA will be adequately insured against exposure to risk.

The ELA will ensure that:

- 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 received, 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 – *Currently the ELA have opted out of using Petty Cash*
- The use of a Natwest One Card - Corporate Card is strictly controlled and these controls are given only by the Executive Head Teacher or delegated to the Deputy Head Teacher.
- Any suspected irregularity will be reported immediately to the LA's Head of Internal Audit
- The ELA will adhere to current 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 Management Committee for the Enterprise Learning Alliance has overall responsibility for the management of all of the ELA's finances covering the revenue budget, other budgets delegated or devolved by the LA and other funds (e.g. the School Voluntary Fund should they have one).

The Finance Scrutiny Committee is delegated responsibility by the Management Committee 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 Management Committee.
- To review the Finance Policy and agree levels of delegation for approval by the Management Committee.
- To review the Charges and Remissions Policy for approval by the Management Committee
- To review a Pay Policy for approval by the Full Management Committee
- To make decisions in respect of service agreements and insurance
- To advise the Management Committee of any consultations to change the LA Scheme for Financing Schools
- To report monitoring and the outturn position to the Management Committee, highlighting any significant variances
- Evaluate any proposed variations
- Evaluate and report on Tenders for Contract Services to the Full Governing Body
- Keeping in-school financial procedures under review
- Benchmark the ELA's financial performance and report to the Management Committee.
- Evaluate and recommend the annual Statement of Internal Control and present to the Full Management Committee for approval

The Executive Headteacher, Micheala Clay is responsible for implementing the decisions of the Management Committee and for the operational management of the school. The general administrations of financial procedures are delegated to the Business & Finance Officer, Sarah Jeffery, and Duties, David Ducane, Nick Waters and Eve Silk at the discretion of the Executive Head Teacher Micheala Clay

3.2 Internal Financial Controls

The internal financial controls operated by the Enterprise Learning Alliance School 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 have 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

Enterprise Learning Alliance School recognises that the regular monitoring of income and expenditure against the agreed budget is central to effective financial management. The Headteacher carries out a monthly internal monitoring procedure, copied to the Chair of the Finance Scrutiny Committee. A monitoring report is taken to all meetings of the Finance Scrutiny Committee which reports, as required, to the Full Management Committee. Monitoring reports are submitted to the LA in accordance with their financial timetable which can be found on the KESJ website under schools finance, this includes early returns, monitoring requirements and the required documentation on the SFVS.

The Finance Scrutiny Committee and Management Committee 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 ELA's school finances.

On occasions, virement's may need to be carried out any virement's that may need to be reported against the approved budget are minuted appropriately and require the following authorisation:

Virement's up to £8,000 and above the Executive Headteacher Micheala Clay will, report to the Finance Scrutiny Committee

3.5 Insurance

Enterprise Learning Alliance is insured through the Kent County Council (KCC) 'Safe Hands' Scheme

Enterprise Learning Alliance School recognises that cash is not insured through the LA's Insurance Policy.

3.6 Purchasing

Enterprise Learning Alliance currently allows the schools Centre Managers responsibility for budget purchasing for resources for their Centres this is overseen by Executive Head Teacher, Deputy Head Teacher, and the Finance Team currently a requisition order must be presented before purchases are made these must be signed by the Executive Head Teacher and returned to the Finance Team for ordering who will allocate a Purchase Order number this enables finance to monitor spend allocation more accurately.

Budget holders prepare a 'needs budget' for their area of responsibility, which is approved by the Head teacher in line with the priority needs of the school and the School Improvement Plan.

All staff adhere to the ELA procedures for purchasing items, as laid down in the School's Staff Handbook, paying regard to value for money at all times. The Head teacher 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.

- For orders in excess of £8000, but less than £50,000, three written quotations are obtained and submitted to the Finance Scrutiny Committee for approval and report to the Full Management Committee.
- For orders in excess of £50,000, no fewer than three competitive tenders are sought and submitted to the Finance Scrutiny Committee for approval and report to the Full Management Committee.

All of the above will be minuted at both the Finance Scrutiny and Management Committee meeting to ensure that the ELA is seen to be obtaining value for money at all times.

The ELA does not enter into any Hire Purchase agreements, Finance agreements or Finance Leases.

3.7 Personnel Matters

Enterprise Learning Alliance, at the start of every financial year the *Headteacher* uses the three year salary calculator provided on EPS to calculate the salary costs of all members of staff, including increments, where applicable. These details are used by the Finance Scrutiny Committee for incorporation into the school budget planning process.

The Finance Scrutiny Committee undertakes an annual review of the Headteacher's salary, and recommends enhancements to the Full Management Committee for approval.

The Executive Headteacher undertakes an annual review of all other staff, in accordance with the ELA's Pay Policy and reports to the Resource and Full Management Committee.

Details of all salaries are recorded as a confidential item in the minutes.

3.8 Payroll Matters

The payroll provider for Enterprise Learning Alliance is the Schools Personnel Service, who provides payroll services to the specification laid down by the LA.

The Executive Headteacher Mcheala Clay and or the designated deputy, David DuCane – Deputy Head signs off the monthly payroll reports once they have been checked for accuracy by Sarah Jeffery.

3.9 Safeguard of Stocks, Stores and Assets

All staff at the Enterprise Learning Alliance are responsible for the security of school assets.

Centre Managers are responsible for safeguarding their assets and maintain asset registers, which are checked at least once on an annual basis when there is a Centre Review and certified by the Executive Headteacher Mcheala Clay, Deputy Head Teacher David DuCane or Nick Waters Assistant Head Teacher.

The Asset Registers and Key Registers for all the 3 Centres listed below will be recorded in the excel format.

- Westwood Centre
- Southwood Centre
- Northwood Centre

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 Finance Scrutiny Committee agrees this on behalf of the Full Management Committee and the agreement is minuted.

Where school assets are loaned to staff or pupils, a loans agreement is completed and signed when borrowing the item and again when the item is returned.

3.10 Income

At the Enterprise Learning Alliance the Lettings Policy is reviewed and approved by the Management Committee.

Where debts are required to be written off, after every effort has been made by the Headteacher and Management Committee to recoup the monies, the Management Committee 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 any one centre at any one time as £100.00, currently there is no petty cash in any centre so this will only adhere to the purchase of items such as school uniform.

Cash will be receipted, recorded and banked promptly at all times, it is the Centre Managers responsibility to ensure that this is recorded and sent over to the Finance Officer within 48hrs.

3.11 The School Bank Account

The Enterprise Learning Alliance operates its school bank account in accordance with the regulations in the LA's Scheme for Financing Schools. The PRU operates only one current account for the administration of KCO 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 for the Enterprise Learning Alliance are received at the very least on a monthly basis and reconciled immediately (wherever possible). The Headteacher or designated deputy signs and dates the bank statement when the reconciliation has been checked.

In addition to this the Finance Committee does an additional monitoring check/audit for the school with a nominated person from the committee.

3.12 Petty Cash – Currently not applicable – Enterprise Learning Alliance

3.13 Corporate Cards – Natwest One card

Enterprise Learning Alliance operates an approved Corporate Card in accordance with the LA guidance. The Following Persons and Centres hold the following approved card limits agreed by Micheala Clay Headteacher.

Each member of staff has signed the Corporate Card Employee declaration.

Sarah Jeffery – Finance Manager – Approved limit – £5000.00

Joanne Nixon – Head of Centre – Southwood – Approved limit – £2500.00

Claire Elshaiikh – Head of Centre – Westwood – Approved limit – £400.00

Tina Haynes – Receptionist – Northwood Centre – Approval Limit – £200.00

Leanne Hill – Receptionist – Westwood Centre – Approval Limit – £200.00

Personal Credit / Debit cards are not to be used, the only allowances to be made are receipted items paid for by cash for the ELA if this has been agreed by the Executive Head Teacher – Micheala Clay and or the Deputy Head Teacher – David DuCane for items that has been deemed necessary and extraordinary circumstances – *The Head Of Centres and Finance Manager have had their credit limits increased currently on a temporary basis due to the un president Fuel Crisis*

3.14 The Voluntary Fund currently not applicable – Enterprise Learning Alliance

3.15 Irregularities

All staff at the Enterprise Learning Alliance are aware of the LA's Whistleblowing procedure. These details are available to staff.

3.16 Data Protection

Under the terms of the Data Protection Act 1998, the Executive Headteacher and Management Committee are required to notify the Information Commissioner of our processing, storage and disclosure of data procedures, which are covered by this legislation. To this end, we have 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.

3.17 Financial Administration

At the Enterprise Learning Alliance School, currently one member of staff, Sarah Jeffery is trained for the use of the finance software, FMS6 and financial administration procedures, currently one staff member Lauren Fossey is undergoing training for the FMS6 School financial system 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 currently at this time to support Sarah, Schools Financial Services come in and support, and monitor monthly.

Signed.....Date.....
(Chair of Governors)

Signed.....Date:.....
(Chair of Finance Committee)

Signed.....Date:.....
(Headteacher)