



FINANCE POLICY

Policy updated from original in association with the Creation of C&MSS Sept 2010

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Approved by: Governors and Senior Leadership Team

Responsible Governor: Linda Green

Responsible Officer: Joanne Ainley, Federation Bursar

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PREAMBLE

Netherhall Learning Campus was federated in April 2008. NLC's constituent bodies include Netherhall High School, the Creative & Media Studio School (C&MSS), Rawthorpe Junior and Rawthorpe Infants schools. Unless specified the following policy is applied uniformly across the whole of the federation. This policy supersedes all policies of NLC's predecessor institutions.

Netherhall Learning Campus is committed to ensuring that all funds at its disposal are spent against the principles of Best Value in delivering the best possible education and resources to its staff and pupils.

1.0 Roles and Responsibilities

1.1 Bursar

- Day-to-day responsibility (delegated by the Headteacher) for finance and budget matters.
- Budget – construct & agree with Headteacher/Governing Body; submit SB3 to LA; monitor, control & inform; address variance; submit monthly returns; agree year end figures.
- Income – confirm delegated funding; secure lettings /other income & grants.
- Practice & procedures – write and update Finance Policy; ensure Best Value; ensure compliance to LMS guidelines; prepare for audit.

1.2 Headteacher

- Overall responsibility for school finance.
- Agree budget with Governing Body; match against SIP; ensure practices & procedures are followed.

1.3 Governing Body

Agree budget; monitor via reports; form and attend Finance Sub-Committee; minute finance at Full Governors.

1.4 Budget Holders

Plan & control cost centre spending; implement practices & procedures. Budget holders include Heads of Departments and areas of administration, for example, library, supply, exams and staff inset.

1.5 Finance Officer

Day-to-day input of finance data and associated procedures.

1.6 Other Staff

Follow practice & procedures. Finance guidance is available in the staff handbook and received by budget holders with their half termly capitation report. The LA finance manual is available in the finance office.

2.0 The Role of the Governors

- 2.1 The Governing Body through the finance committee support the Principal in implementing the NLC Finance policy. It will consider all representations from the auditors, Principal and Bursar regarding the Finance policy and will ensure that the policy is amended in accordance with those recommendations and to meet all relevant regulations.

3.0 Suggested Audience and Distribution Channels

All learning and teaching support staff
Parents/carers
Employers and Partners

Annual Report
Formally Scheduled meetings of the Finance Sub Committee (Agendas and Minutes)
School Website/Intranet

4.0 Related policies, documentation & further reading

This policy is part of a suite of policies which should also be referred to:

- **NLC School Improvement Plan**
- **NLC School Development Action Plan**
- **C&MSS School Development Action Plan**
- **NLC Quality Assurance Policy (the Toolkit)**

- **Kirklees LMS Finance Guidelines**

5.0 Finance Policy Objectives

- 5.1 To ensure that all AWPU, grants and income available to the school are received and that all other funding sources are investigated where appropriate.
- 5.2 To ensure that the best interest return is received on all bank account funds held by the school.
- 5.3 To set an annual budget that best matches the available income against expenditure to deliver a balanced curriculum.
- 5.4 To monitor and control expenditure to the set budget.
- 5.5 To consider the longer term plan during budget setting by considering income against expenditure to support the School Improvement Plan beyond the current financial year.
- 5.6 To ensure that all finance systems and procedures comply with Kirklees LMS Finance guidelines and are auditable to that standard.
- 5.7 To continue implementing the standards as outlined in FMSIS.

6.0 Best Value and Accountability

- 6.1 The school procures all goods and services against the principles of Best Value, and the financial regulations and protocol of Kirklees MBC LMS Finance Guidelines. The principles of Best Value are made known to all budget account holders.
- 6.2 Audit by KMC Internal Audit should be carried out at least once every three years. Previous audits were conducted in March 2003 and May 2012 and both concluded financial procedures at the school to be 'satisfactory'.
- 6.3 The school achieved the DfES Financial Management Standards in Schools (FMSIS) Toolkit and was audited again during the financial year by Kirklees in 2012/13 and 2015/2016 concluding the financial procedures to be good.

7.0 Budget Setting

- 7.1.1 A detailed annual budget is produced, considering the longer term plan to measure estimated income and expenditure against SIP.
- 7.1.2 The budget is set as a 'neutral' budget such that total gross expenditure is equal to total gross income across four primary budget areas:
 - ISB – main school budget from formula funding (AWPU + block grants)
 - SEN – funding for statemented and SEN pupils
 - RP – funding for providing resourced places
- 7.1.3 Each primary area is sub-divided into individual costs centres to permit allocations to be made and expenditure controlled at local level. Individual budget holders are assigned to each cost centre.
- 7.1.4 Ledger codes are used to divide the budget between 'types' of expenditure, e.g. teaching salaries, admin supplies, premises etc. These relate to LA and DfES codes and form a basis for LA monitoring and Consistent Financial Reporting.

7.2 Draft Budget

- Starting point – next years income against current/estimated expenditure plus known changes and SIP.
- Remodelled according to variance to achieve neutral balance.
- Viewed by Governors, submitted to LA.

7.3 Final Budget - SB3

- Draft plus final changes agreed by Governors, submitted to LA as SB3.

7.4 Amendments

Changes based on funding adjustments (e.g. roll changes) and others are made as they occur. Significant changes dealt with appropriately.

8.0 Expectations

The School expect all Staff to comply with the provisions of the Finance policy, which will be monitored.

10.0 Monitoring and Review

10.1 The Governing Body monitors and reviews the NLC Finance policy by:

10.1.1 Monitoring and Control

The final annual budget is allocated across cost centres both within school (bank) and centrally at LA (non-bank) and forms the basis of monitoring.

10.1.2 School Monitoring

Cost centre allocation reports issued to budget holders at least half-termly. These regulate spending on resources from bank account monies at base level. 80% threshold limits set on all cost centre spending to act as a 'brake' and alert budget holders.

Salaries and other LA central expenditure monitored by comparison of actual to profiled estimate via LA SAP monthly reports KDF210, Form 01, Form 31.

10.1.3 LA Monitoring

Central and bank (via SEA monthly returns) expenditure reported against profiled estimate monthly on SAP T5 report.

10.1.4 Governors Reports

Whole school budget report, profiled against estimated expenditure, produced at least termly and submitted to Governors. Variances and causes explained and any counter-measures discussed and agreed.

Governors Finance Sub-committee meets at least termly. Latest finance report issued to all Governors prior to all Full Governors meetings and recorded as such.

11.0 Approval by the Governing Body and Review Date

This policy has been formally approved and adopted by the Governing Body at a formally convened meeting

Policy approved:

(Chair of Governing Body)

Date:

Date of Policy review:
