Leesland C of E Federation

Financial Procedures Policy

"Two Schools, One Vision"

Approval By:	Resources Committee
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Review Approved (signature): EXECUTIVE HEADTEACHER

CHAIR OF GOVERNORS

Date Approved: 5th May 2026

*Through our Core Christian values, we aim to create an environment in which everybody feels **loved** enough to aspire to greatness, **respected** enough to build a community, and **gracious** enough to include everyone in our journey to achieve a bright future.*

Policy for Financial Procedures

1. AIMS

- To bring together decisions made and systems established by the Governing Body of this Federation in line with the County's Financial Regulations, the advice of the Audit Commission and the advice of the County auditors.

- To ensure that procedures enable the Governors, Executive Headteacher and staff to support the Federation's Whole School Development Plan by effective use of resources and enable financial accountability and integrity.

2. SCHOOLS' FINANCIAL PLANNING

The schools' budget plans are intended to support the achievement of the federation's educational objectives. These objectives are contained in the
School Improvement Plan for the federation which is reviewed regularly and agreed by the Governing Body annually to allow the schools' budget plans to be prepared before the commencement of the financial year.

The Governing Body will agree the final budget plans when notification of the schools' budget shares have been received.

Responsibilities devolved to the Finance link governor, the Executive Headteacher and the senior staff enable them to make decisions and manage the schools' finances to achieve the overall aims and priorities, established by the federation and agreed by the Governing Body.

The finance link governor will report regularly to the Governing Body. This will enable the evaluation of the extent to which financial decisions have promoted the prioritised educational objectives, and the monitoring of the effective use of resources.

3. MONITORING

Monitoring will secure value for money and financial probity while ensuring expenditure stays within budget. This will be achieved by adherence to agreed financial systems, particularly those relating to purchasing.

The Finance/Admin Manager, together with the Executive Headteacher will monitor expenditure to ensure accuracy, especially in terms of staff salary charges. This process will enable the school to address any potential overspend or underspend.

4. FINANCIAL SYSTEMS

The Federation Complies with the following statutory and Hampshire County Council regulations:

- Constitution
- Officers code of conduct
- Financial regulations
- Contract standing orders
- Scheme for financing schools
- Coding
- School Funding
- School Financial Value Standard

All financial transactions are recorded via the Integrated Business Centre, the County's approved accounting system.

Inventory

An inventory is kept listing all non-consumable items valued at £200 or more and also of items deemed to be portable and attractive in accordance with HCC guidance.

The Business Manager will undertake an annual check of inventory stock.

5. ROLES AND RESPONSIBILITIES

The Governing Body

- Has overall responsibility for financial planning and control to ensure the most effective use of available resources.
- Monitors the established financial systems to support their financial responsibility and ensure probity.
- Pays due regard to the County's financial regulations and provides reports requested by the County to carry out its financial responsibilities.
- Monitors all financial systems.
- Responds in detail to audit reports.
- Adheres to the Financial Values Standard for Schools
- Carries out audit of financial procedures within the schools.
- Regularly reviews security arrangements and receives reports on losses through theft and vandalism.
- Will agree the presented budget plan and budget revision in accordance with HCC deadlines.
- Receives regular financial reports indicating any potential overspend or underspend.
- Receives reports of virements between the main budget centres.
- Seeks financial advice from the County when necessary.
- Devolves responsibilities (as described in the Code of Financial Practice) to the Executive Headteacher, the Head of Schools, the Finance/Admin Manager and budget holders who will: -

    1. Present a budget plan as part of the School Improvement Plan for the federation.
    2. Receive regular financial reports to enable them to ensure priorities are being addressed and to monitor the effective use of resources.
    3. Ensure accountability of staff.

- The Governing Body has designated subject managers as budget holders.
- The Governing Body has designated the following people as signatories for the schools' bank accounts:
  Infant School – Executive Headteacher/Head of Schools/Senior teacher
  Junior school– Executive Headteacher/Head of Schools/Senior teacher

The Link Finance Governor

- Receives regular financial reports
- Scrutinises the draft school budgets and budget revision prior to presentation for approval to the full Governing Body
- Submits regular financial reports and recommendations to meetings of the Governing Body.

The Executive Headteacher

- Advises the Governing Body on financial matters.
- Prepares budget plans and options, which reflect priorities in the School Improvement plan for the federation.
- Ensures the agreed financial procedures are followed on.
    1. Purchasing
    2. Budget virement
    3. Budget reports to Governors and the County

4. Inventories

- Is one of the signatories for the schools' bank accounts.
- Approves virements within the sub-divisions of the main budget centres.
- Has responsibility within the budget of £5,000
- The Executive Headteacher and Chair of Governors have responsibility within the budget of £10,000
- Meets with the County school Finance advisor to review budget spending is in line with forecasts.

The Head of Schools

- Inform the Executive Headteacher of any events which may impact on the budgets
- Approve orders from budget holders, in line with the school policy.
- In exceptional circumstances, such as the prolonged absence of the Executive Headteacher, may temporarily have the responsibility within the budget of £5,000. This will only be enacted with the approval of the Chair of Governors.

The Finance/Admin Manager

- Maintains accounting records and monitors the budget and monthly payroll.
- Prepares the necessary reports to the County and Executive Headteacher (who then reports to the Governing Body).
- Ensures payments are made and manages the petty cash.
- Ensures regular banking of monies and ensures insurance limits are adhered to.
- Provides budget holders with regular expenditure statements.
- Has a delegated budgetary responsibility in the absence of the Executive Headteacher/ Head of Schools of £1,000.

Budget Holders

- The Governing Body have designated the Executive Headteacher, Finance/Admin Manager and subject managers as budget holders.
- Each budget holder prepares an annual budget plan based on their management plan within their budget allocation.
- Each budget holder monitors their spend against the budget information provided by the Finance/Admin Manager.
- No budget holders should purchase items for cash without the prior agreement of the Executive Headteacher, Head of Schools or Finance/Admin Manager
- Orders from curriculum budget holders are made on the appropriate school's official order form, are approved by the Executive Headteacher or Head of Schools and are placed via the Finance/Admin Manager who will ensure that the appropriate budget is available.
- Budget holders who are also a cheque signatory do not sign any cheques for goods ordered as a charge to their budget.

6. BEST VALUE STATEMENT

As a governing body, we will endeavour to provide best value by adhering to the four C's principle:

- Compare: comparing how our schools' performance compares with that of other schools so we have a firm financial basis for moving the school forward.
- Challenge: challenging whether our schools' performance is high enough and why and how a service is being provided.

- Compete: how our school secures efficient and effective services
- Consult: seeking the views of service users about the services provided

In deciding spending priorities, we will consider:

- Own school priorities (we will use self-evaluation and inspection outcomes to target resources.)
- Local priorities, giving consideration to cluster events and initiatives, often funded.
- National priorities, often supported financially.
- We will challenge existing patterns of expenditure to identify possible savings and alternative use of resources, taking advantage of our federated status.
- In allocating resources across the budget, we will question the following:
    - Is the spending short term or long term?
    - Will the spending change over time?
    - Is the spending sustainable?
    - How does the proposed spending fit in with other plans?
    - Will the quality of provision in this area or in others be adversely affected?
- We will ensure full consultation with staff and parents if significant changes to provision are proposed
- We will challenge the use of resources by those managing delegated budgets.
- We will challenge (question) whether any aspect of the school's provision could be reduced
- We will challenge the deployment of all staff to ensure their skills are being used to maximise pupils' learning and progress
- We will challenge the allocation of funding staff professional development.
  Currently training priorities are determined by:
    - School Improvement Plan
    - National initiatives e.g. Early Years Baseline training
    - Personal Development/Performance Management

We will take steps to ensure we receive the funding to which we are entitled so that income is maximised.

We receive funding from a variety of sources at different times, very often with a minimum of notice (this practice makes strategic planning very difficult). We will ensure that two particular areas are carefully scrutinised: Grant arrangements and other sources of income e.g. Donations.

We will compare the quality, cost and impact of services purchased from the outside providers, including the LA, particularly Service Level Agreements (SLAs).

Monitoring and evaluating spending decisions.

The majority of our spending is guided by the School Development Plan, which is monitored in several layers:

- The Governing Body monitors the effectiveness of the overall plan.
- The Headteacher monitors the effectiveness of the overall plan and reports regularly the progress of the plan.
- The Senior Leadership Team and subject managers monitor their action plans.