



# MAYHILL JUNIOR SCHOOL

## FINANCIAL and CHARGING POLICY

The School will :

- a. Aim to carry forward, where possible, a reserve equal to the cost of a class teacher for one term, (approx £15,000) so that the class structure at Easter can be maintained for the rest of the academic year, even where the short-term NOR had fallen and would not justify it. This reserve would be the 'first call' for funding in the event of a significant shortfall in funding. If it is envisaged that there is little likelihood of increased government funding or a return to traditional NOR levels, the Governing Body will be required to make a strategic decision on the way forward.
- b. Aim to achieve best value in budgeting, expenditure and the procurement of goods and services, without compromising standards. The School will work within the 'compare, challenge, consult and compete' philosophy associated with the Governing Body's 'Best Value Statement'.
- c. Aim to allocate surplus funds, should they become available, to projects with a long-term effect on school performance and operability, rather than to current operational expenditure and be prepared to quantify such projects to the Local Authority during the financial cycle.
- d. Aim to continue to develop income generation from underused School assets without disposing of them or prejudicing their future educational use.
- e. Develop contingency plans to deal with anticipated variations in NOR.

## CHARGING

- Education at Mayhill is free of charge and activities which take part wholly or mainly during school hours shall be open to all pupils, regardless of parents' ability or willingness to pay.
- The Governing Body has the discretion to charge for optional activities provided wholly or mainly out of school hours.
- A charge will be made for periodic educational visits.
- Under this policy, a charge may be made for activities outside the taught school day.
- The Governing Body makes an annual charge for music. This charge will be determined by the Head Teacher and reviewed annually by the R&E Committee.
- Parents in receipt of Income Support, Family Credit or Free School Meals will be eligible to seek full or partial remission of charges. The Governing Body will seek to offer financial support within the limits of funds available (the funds available may include grants, LEA grants and funds earmarked in the School's annual budget) in line with legislation.
- The Governing Body will not require a pupil or his or her parents to pay for, or to supply any materials, books, instruments, or other equipment for use in connection with education provided during school hours.
- However, the Governing Body has the right to invite voluntary contributions in support of school activities. Accordingly, it requests contributions for the purchase of materials. Where such contributions are made, this would then prove ownership of the item(s) made using those materials.
- In seeking voluntary contributions, no pupil will be excluded from an activity because the parents are unwilling or unable to pay.
- Requests for voluntary contributions will make it clear that, if not enough parents make a contribution, the future of the activity may be in jeopardy.
- The Governing Body will always seek to provide support within the limits of the funds available to pupils who are known to suffer financial hardship, so that they may benefit from the planned activities.
- The Governing Body may invite parents to provide their children voluntarily with various items, in order to release funds for other purposes.

## BEST VALUE STATEMENT

The Governors of Mayhill are committed to achieving Best Value in all decisions made.

We use the principles of Best Value as they apply to securing continuous improvement in this School by adhering to the four C's principle as follows:

### 1. Compare

- Reviewing how our School's performance compares with that of other schools, so we have a firm financial basis for moving the School forward. (As a small school we are aware of fluctuations in data).
- We will compare the quality, cost and impact of services purchased from outside providers, including the LA, particularly Service Level Agreements (SLAs)
- By using available benchmarking information, monitor outcomes and compare performance with similar schools and within the School.
- Promote fair competition through quotations and tenders to ensure that goods and services are secured in the most economic, efficient and effective way.
- Monitoring and evaluating spending decisions in comparison with similar schools and within the School.

### 2. Challenge

Challenging whether our School's performance is high enough, and why and how a service is being provided by:

- Regularly reviewing the functions of the School, challenging how and why services are provided and setting targets and performance indicators for improvement.
- Challenging existing patterns of expenditure to identify possible savings and alternative use of resources. (As we are a small school, we are aware there is less flexibility in decision making because staffing costs are tied closely to the number of classes. We do make use of temporary and part time staff to meet the needs of Special Needs for example, when the budget allows).
- 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?
- In deciding spending priorities we will consider:
  - National priorities (often supported financially)
  - Local priorities
  - Own School priorities (We will use self evaluation and inspection outcomes to target resources.)
- We will challenge the use of resources by those managing delegated budgets.
- We will challenge 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.
- We will challenge the allocation of funding for staff professional development.

### 3. Compete

It is a practice of the Resource & Environment Committee to use government benchmarking data to set our expenditure in context. We will strive to ensure that the School is using its resources effectively to meet the needs of pupils and staff by monitoring how our school secures efficient and effective services.

### 4. Consult

Seeking the views of service users about the services provided and consulting appropriate stakeholders before major decisions are made.

We will ensure full consultation with staff and parents if significant changes to provision are proposed and in harmony with these principles we will also:

- Strive to ensure that the school is using its resources effectively to meet the needs of pupils and staff
- Submit our Best Value Statement with the annual budget plan. The progress of the annual budget plan and the Best Value Statement will be monitored in order to determine the extent of continuous improvement.
- 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 all areas are carefully scrutinised.

- Monitor and evaluate spending decisions.

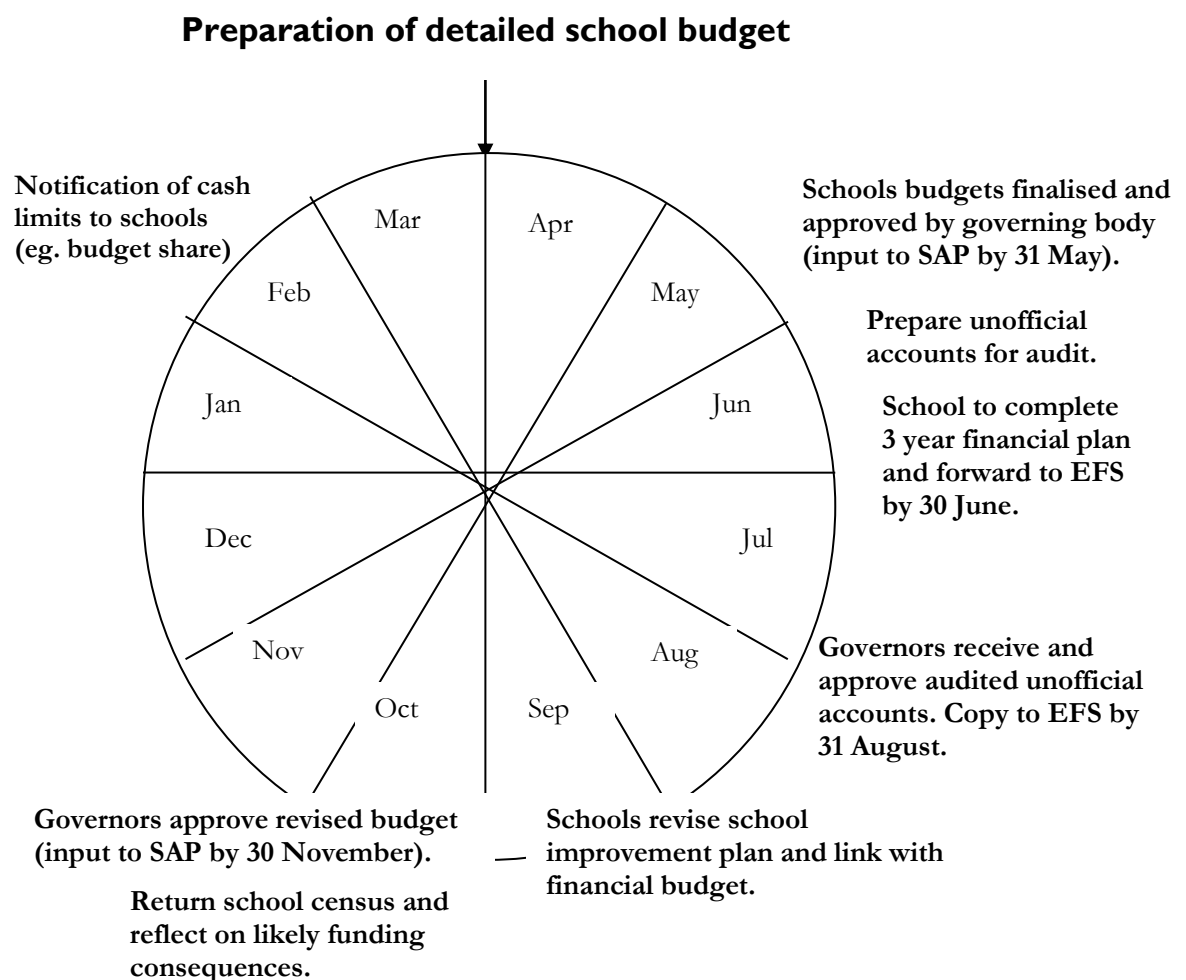
# BUDGET PREPARATION

## 1 BUDGET CYCLE AND PROCESSES

### 1.1 Planning

- 1.1.1 Every school with local management responsibilities must prepare a complete and accurate school budget within its total resources ie. a school must not plan for an overspend.
- 1.1.2 The budgeting process allows the evaluation and quantification of a number of different plans, the allocation of resources and prioritisation of competing needs within the school, and should be linked to the school improvement plan.

### 1.2 Budget cycle



### 1.3 The budgeting timetable

- 1.3.1 The budgeting timetable and processes of a school will be linked to the overall budgeting cycle and decision making of the County Council. The key budgeting events for each school are:

#### **May/June**

Identification of new plans and priorities and ongoing commitments to be included in the three year financial plan.

#### **September/November**

Final cash-limited allocations for the upcoming financial year will not be received by schools until March each year. However, as a result of the one year funding agreement and the provision of indicative budget shares for following years, changes in allocations from one year to the next depends largely on changes to pupil numbers. In the autumn term a school should be in a position to assess whether its allocation is likely to alter much in real terms for the following financial year and so can begin looking at initial budget decisions relating to the following year, eg. staffing levels.

Schools are required to revise the original budget plan in light of any unplanned events or changes and produce a revised budget plan. The revised budget must be formally approved by the governing body/finance committee (terms of reference permitting) before entering onto the SAP system by the 30 November deadline. A signed copy of the approved revised budget plan should be attached to the minutes for the meeting.

#### **December/January**

Staffing levels approved by governors with regard to pupil numbers and school improvement plan.

#### **February**

In line with the one year funding agreement, the County Council agrees the forward budget. This will include the total amount available to be delegated to schools.

Schools receive firm cash-limited allocations for the upcoming financial year. The allocation is based on pupil numbers as per the October Numbers on Role return.

In general no contingency will be available for unplanned variations (eg. if pay awards are higher than estimated inflation levels).

### **April/May**

The initial budget should reflect existing commitments and policies. If new developments are under consideration these should be costed and considered by the governors in order to determine the final budget, which should be formally approved by the whole governing body, or where delegated authority is contained in the terms of reference, the finance/resource committee. A copy of the approved budget plan should be appended to the minutes in accordance with Scheme of Financial Management for Schools.

### **May/June**

The previous year's final out-turn should be compared to the plan as this will help inform the budget setting/monitoring process for the new year.

Balances will be carried forward to the current year in accordance with Scheme for Financial Management of Schools (Chapter 6). Any school anticipating an overspend is required to discuss the budget situation with the County Council (EFS) before incurring a deficit. Any formal agreements to eliminate the deficit must continue to be followed. Further details can be found via the [EFS website](#).