

Financial Responsibilities & Procedures

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Part One Policy Statement for Ascend Learning Trust

The objective of this document is to set guidelines for the establishment of sound and effective financial procedures and compliance with the financial requirements specified in the Trust funding agreement with the Department for Education (DfE).

The Trust and all schools that fall within the Trust aim to operate in a transparent, ethical and accountable way which will promote effective management.

The Trust will ensure that there are adequate systems of financial control which conform to the requirements of both propriety and good financial management developed and maintained across the Trust.

The Trust must comply with the principles of financial control outlined in the Academy Trust Handbook published by the DfE, the Master and Supplemental Funding Agreements and HM Treasury's "Regularity, Propriety and Value for Money".

This policy document must be adhered to by all schools within the Trust and should be read by any staff involved in any financial transaction.

1. ORGANISATION

Ascend Learning Trust (ALT) is a Multi Academy Trust. The Trust is a company limited by guarantee with charitable status and all schools within ALT are governed by one Trust (the Members) and a board of Trustees.

There shall be a maximum of 5 and minimum of 3 Members of the Company.

The Members shall appoint up to 9 Trustees, of whom:

- one (1) shall be the ALT Chief Executive Officer (ex-officio)
- eight (8) shall be appointed by the Members by majority in respect of their skills, knowledge and experience.

The Trustees can appoint up to 3 Trustees by majority in respect of their skills, knowledge and experience.

Two Parent Trustees must be elected or appointed if there are not 2 Parent Governors on each Local Governance Committee.

The Board to operate as specified in the Articles of Association.

The Trustees shall establish a Finance, Audit and Risk Committee (FARC) to provide oversight, monitoring and control of the financial situation, plans, policies and budgets of ALT and its constituent individual schools, and oversee the policy framework for staffing, H&S, staffing, premises and IT in all the schools.

2. DELEGATED AUTHORITY RESERVED TO THE TRUST

The delegated authority over different categories of financial transactions is set out below from the DfE:

Liabilities and write-offs

Academy Trusts may write off debts and losses, including any uncollected fines up to the following delegated limits:

- 1% of total annual income or £45,000 (whichever is smaller) per single transaction
- cumulatively, 2.5% of total annual income in any one financial year per category of transaction for any academy Trusts that have not submitted timely, unqualified financial returns for the previous two financial years. This category includes new academies that have not had the opportunity to produce two years of financial statements
- cumulatively, 5% of total annual income in any one financial year per category of transaction for any academy Trusts that have submitted timely, unqualified financial returns for the previous two financial years

In relation to these limits, the amounts for write offs are before any successful claims from an insurer and total income is defined as grant income as disclosed in the Trust's last set of audited accounts.

Beyond these limits the Trust must seek and obtain explicit and prior approval of the Secretary of State (through the DfE) to the transaction.

ALT reserves the ability to write off all debts and losses wherever incurred.

Severance Payments

If the Trust is considering making a staff severance payment above the contractual entitlement, it must consider the following issues:

- Whether such a payment is justified, based on a legal assessment of the chances of the Trust successfully defending the case at tribunal.
- If the legal assessment suggests a better than even chance of winning, there is no rationale for settling the case. But where the case will be lost, there is a justifiable rationale for the settlement if the settlement is justified, the Trust would then need to consider the level of settlement. This

must be less than the legal assessment of what the relevant body (e.g., an Employment Tribunal) is likely to award in the circumstances

Special severance payments should not be made where they could be seen as a reward for failure, such as dismissal for gross misconduct or poor performance. The only acceptable rationale in the former case would be where the claimant will win an Employment Tribunal claim because of employment law procedural errors. In the latter, an acceptable comparison would be the time and cost of taking someone through performance management and improvement procedures.

If the Trust is considering making a compensation payment it must consider whether the proposed payment is based on a careful appraisal of the facts, including legal advice and that value for money will be achieved. It is also good practice as a Trust of course to consider whether particular cases reveal concerns about the soundness of the control systems; and whether they have been respected as expected. It is also important to take any necessary steps to correct identified control and procedural failings.

Where the Trust is considering making a special staff severance payment or compensation payment of £50,000 or more above contractual entitlement, prior approval will need to be sought from HM Treasury, via the DfE, before any such payment can be made. The Trust in this situation should speak to their DfE contact at the earliest opportunity to discuss.

Any severance payments within the Trust would be approved by the Board based on a Business Case provided by the Director of HR and COO and endorsed by the CEO.

Asset sales, leases and tenancy agreements

There are two types of lease, as defined under relevant financial reporting standards. There are finance leases (which are a form of borrowing) and there are operating leases (which do not involve borrowing).

Academy Trusts, via the COO, must seek and obtain prior written approval from the Secretary of State, via the DfE for leases related to land and building and anything not included in the following list:

- all existing leases in place before 1 September 2024 for items included in this list
- leases related to IT equipment (for example laptops, tablets, desktop computers, printers, photocopiers, servers, door entry security systems, CCTV Systems, whiteboards and touch screen boards)
- leases related to telephony (for example mobile phones, landline phones and telephone systems)
- leases related to catering and cleaning equipment (for example tills, water coolers, vending machines, dishwashers, washing machines, ovens, fridges, freezers, water boilers, small kitchen appliances, crockery and cutlery)
- leases related to furniture (for example desks, tables and chairs)
- leases related to bathroom and sanitary items (for example hand dryers, towel dispensers, sanitary bins)
- leases related to gym equipment (for example treadmills, free weights and weight machines, rowing machines and exercise bikes)
- leases related to groundskeeping equipment (for example lawn mowers, string trimmers, leaf blowers and salt spreaders)
- leases related to LED lighting systems or to support renewable activity (for example lightbulbs, control mechanisms and control panels) – consent is granted where the product has been sourced with support from the Department for Education through [Get help buying for schools](#) or from a recommended route on our [Find a framework](#) website

- leases related to minibuses and other vehicles for the use of the school
- leases related to temporary classrooms and equivalent structures (but not land leases they sit on, which may require separate consent – see [school land transactions guidance](#))

If an academy Trust does wish to enter into a lease that requires the Secretary of State’s consent, then the Trust COO will need to contact the DfE in the first instance. Trusts must ensure that any lease arrangement maintains the principles of regularity, propriety and value for money, whether or not the approval of the Secretary of State is required.

3. REGISTER OF INTERESTS

It is important for anyone involved in spending public money to demonstrate that they do not benefit personally from the decisions they make. To avoid any misunderstanding that might arise all Members, Trustees, members of Local Governance Committees and staff who can influence financial decisions, or spending powers, are required to declare any financial interests they have in companies or individuals from whom the Trust may purchase goods or services.

The register is open to public inspections and should include all business interests such as Trusteeships, shareholdings or other appointments of influence within a business or organisation which may have dealings with the Trust. The disclosures should also include business interests of relatives such as a parent or spouse or business partner where influence could be exerted over a Member, Trustee, Governor or a member of staff by that person. Relationships with connected parties will require high standards of accountability and transparency. Disclosure requirements extend to positions of control in other Trusts and charities.

All relevant business and pecuniary interests of Members, Trustees, Local Governance Boards of academies within ALT and senior employees must be published on the Trust’s website and individual school and academy websites.

The existence of a register of business interests does not, of course, detract from the duties of members, Trustees, Members of local governance committees and staff to declare interests whenever they are relevant to Trustees being discussed by any committee. Where an interest has been declared, Members, Trustees, members of Local Governance Committees and staff should withdraw from that part of any committee or other meeting.

All Trustees and staff who can influence financial decisions or spending powers will be required to make a declaration of business interests on appointment and at the commencement of each academic year, or when such interest arises.

4. ROLES AND RESPONSIBILITIES

The main responsibilities of the Trust are prescribed in the Funding Agreements with the DfE.

The key responsibilities include:

- Ensuring that grants from the DfE are used only for the purposes intended approval of the annual budget balancing its budget from year to year production of an Annual Report and Accounts appointment of auditors
- Compliance with the Trust Financial Handbook, DfE Academies Guidance issued from time to time and specific DfE Academy reporting requirements; appointment of a Chief Executive Officer (as Accounting Officer)
- Appointment of the Chief Operating Officer in conjunction with the Chief Executive Officer ensure regularity, propriety and value-for-money in relation to the management of public funds.
- All Trustees shall complete a Declaration of Interest form on appointment and annually at the first board meeting of each academic year.

Subject to provisions of the Companies Act 2006, the Articles and to any directions given by special resolution, the business of the Company will be managed by the Trustees who may exercise all the powers of the Company.

The Academy Trust has defined the responsibilities of key committees and staff involved in the administration of academy finances to avoid the duplication or omission of functions and to provide a framework of accountability for Trustees, members of local governance committees, and staff. The Committees that have responsibilities relating to the Academy finances are as follows:

- Trust Board
- Finance, Audit and Risk and Committee (FARC)

The main responsibilities of these Committees are set out in written terms of reference. The following sections summarise the responsibilities of those individuals with key roles in the administration and accountability of the Trust finances.

Lloyds TSB are the appointed the principal bankers for The Trust.

All BAC's and cheque payments made by the Trust will be in accordance with the bank mandate, which is agreed by the Board, and will require 2 signatories for any transaction.

The opening and closing of bank accounts must be authorised by the Trust Board and undertaken in conjunction with the agreed Bank Mandate.

4.1 ROLE OF THE CHIEF EXECUTIVE OFFICER

The Chief Executive Officer has overall responsibility for the Trust's activities including all financial activity. As the Accounting Officer for the Trust, the Chief Executive Officer is personally responsible for: • propriety and regularity of the public finances for which they are answerable. This covers standards of conduct, behaviour and corporate governance, including:

- keeping of proper accounts
- prudent and economical administration
- avoidance of waste and extravagance
- ensuring value for money
- efficient and effective use of all available resources
- management of opportunities and risks

The essence of the role is a personal responsibility for:

Regularity - dealing with all items of income and expenditure in accordance with legislation, the terms of the Trust's funding agreement, this Handbook and compliance with internal Trust procedures. This includes spending public money for the purposes intended by Parliament;

Propriety – the requirement that expenditure and receipts should be dealt with in accordance with Parliament's intentions and the principles of Parliamentary control. This covers standards of conduct, behaviour and corporate governance;

Value for money – this is about achieving the best possible educational and wider societal outcomes through the economic, efficient and effective use of all the resources in the Trust's charge, the avoidance of waste and extravagance, and prudent and economical administration. A key objective is to achieve value for money not only for the Trust but for taxpayers more generally.

The Trust is required to produce a statement each year within the annual financial statements explaining how the Trust has secured value for money.

In practice, the majority of the financial responsibility is delegated to the Chief Operating Officer but the Chief Executive Officer still retains overall responsibility as Accounting Officer for:

- Approving new staff appointments within the authorised establishment, except for any senior staff posts which the Trustees have agreed should be approved by them.
- Authorising orders and contracts and signing these in conjunction with other authorised signatories in accordance with the agreed Scheme of Delegated Authority (Appendix A).
- Reviewing budget plans in conjunction with the Chief Operating Officer and Headteachers.
- Ensuring financial reports are submitted to the Board of Trustees in line with the Trust Financial Handbook.
- Ensuring any actions resulting from the annual and internal audit processes are implemented.

4.2 ROLE OF THE CHIEF OPERATING OFFICER

The Chief Operating Officer works in close collaboration with the Chief Executive Officer and has direct access to the Trustees.

The main financial responsibilities of the Chief Operating Officer are:

- Oversight of financial issues including systems and processes for the Finance Team.
- Management of ALT financial positions at a strategic level within the framework for financial control determined by the members and Trustees.
- Oversight of preparation of budget plans in conjunction with the Chief Operating Officer.
- Ensuring there are effective systems of internal financial control.
- Oversight of returns for DfE.
- Alignment with Contract Management and Asset Management Planning to ensure Value for Money.

The Chief Operating Officer delegates responsibility to the Head of Finance for:

- Day-to-day management of financial issues including the establishment and operation of a suitable accounting systems for internal control.
- Management of the Trust Finance Team.

- Liaising with internal and external auditors to ensure that the annual accounts are properly presented and adequately supported by the underlying records of the Trust.
- Management of ALT financial position at an operational level within the framework for financial control determined by the members and Trustees.
- Preparation of financial information to inform strategic decision making.
- Preparation of budget plans in conjunction with the Headteachers, Chief Operating Officer and Chief Executive Officer.
- Ensuring forms and returns are sent to the DfE in line with the timetable in the DfE guidance.
- Procurement and contract management embedded into processes to ensure Value for Money.
- Management of Capital and Fixed Assets with input into Asset Planning.

4.3 THE ROLE OF THE TRUST FINANCE TEAM AND BUDGET HOLDERS

Other members of staff, primarily the Trust Finance Team, School Office/Resource Managers, and departmental budget holders, will have some financial responsibilities and these are detailed in following sections of this manual.

All staff, irrespective of post held, are responsible for the security and condition of Trust property, for avoiding loss or damage, for ensuring economy and efficiency in the use of resources, and for conformity with the requirements of the Trust's financial procedures.

5. FINANCIAL PLANNING

The Trust prepares both short and medium term financial plans.

The medium-term financial plan is prepared as part of the strategic planning process and BFR return. The Trust Strategic Aims indicate how the Trust's educational and other objectives are going to be achieved within the expected level of resources.

These plans provide the framework for the annual budget. The budget is a detailed statement of the expected resources available to the Trust and the planned use of those resources for the following 3-5 years.

The strategic planning process and the budgetary process are described in more detail below.

5.1 THE TRUST STRATEGY 2023-2025

"Ascend Learning Trust creates a sense of belonging for everyone."

Trust financial strategy is broken down into key strategies for:

- Student Outcomes
- People
- Leadership and Management
- Growth
- Environment
- Infrastructure

- Operations

The role of the Finance department is to review how the Trust's aims and targets can be met with the resources expected to be available. Plans are simple and flexible with individual strand plans produced for each Strategy detailing a programme of works for the years.

The form and content of the 3-5 year strategic plan are matters for the Board to decide but due regard should be given to the matters included within the guidance to Trusts and any annual guidance issued by the DfE.

Each year the CEO will propose a planning cycle and timetable which allows for a review of past activities, aims and objectives.

5.2 ANNUAL BUDGETS

Annual budgets will reflect the best estimate of the resources available to the Trust and each constituent school for the forthcoming year and how those resources are to be utilised. There should be a clear link between the strategy and curriculum planning, Estates and IT development plans and the budgeted utilisation of resources.

The published budgetary planning process will incorporate the following elements:

- Forecasts of the likely number of pupils to estimate the amount of DfE grant receivable.
- Review of other income sources available to the Trust and constituent schools within the Trust to assess likely level of receipts.
- Review of past individual performance against budgets to promote an understanding of the Trust cost base.
- Identification of savings and potential efficiencies.
- Use of ICFP (integrated curriculum financial planning), matching educational needs of the pupils by assessing the affordability of the curriculum.
- Review of the main expenditure headings in light of the strategic aim objectives and the expected variations in cost, e.g., pay increases, inflation and other anticipated changes

Individual academy plans and budgets will be revised until income and expenditure are balanced. If this is not possible, a detailed summary for income and expenditure and a recovery plan will be required for the Chief Operating Officer and Chief Executive Officer.

If shortfalls are identified, opportunities to increase income should be explored and expenditure headings will need to be reviewed for areas where cuts can be made. This may entail deferring projects until more funding is available.

If a potential surplus is identified at an individual academy within the Trust, this will be held as part of the shared Trust Reserve to invest in the future or for projects which have been unfunded. This will only be in the case if the Reserves level is within the identified limits. The Reserves Policy details the approach the Trust takes towards surpluses in more detail.

It is the responsibility of the Finance, Risk and Audit Committee (FARC) to recommend for approval to the full board an annual budget for the Trust and constituent schools. Such approval should be clearly minuted in sufficient time to allow prompt submission of aggregated plans to the DfE and should be accompanied

by a statement of assumptions and explanations behind the plan so that if circumstances change, it is easier for all concerned to take remedial action.

The Chief Operating Officer, in conjunction with the Chief Executive Officer, is responsible for obtaining approval for the Trust annual budget, which aggregates the all the budgets within the Trust. The budget must be approved by the Board.

The approved aggregated budget must be submitted to the Department for Education (DfE) each year, and the Head of Finance is responsible for establishing a timetable which allows sufficient time for the approval process and ensures that the submission date is met.

Budgets should be seen as a working document which may need revising throughout the year as circumstances change to produce outturn forecasts. Forecasts will be undertaken quarterly to accompany the management accounts.

The Trust has the freedom to amalgamate a proportion of General Annual Grant (GAG) funding for all its academies to form one central fund, known as GAG pooling, with the exception of Private Finance Initiative (PFI) funding (Trust Financial Handbook section 5.29). This fund can then be used to meet the normal running costs at any of the academies within the multi-academy Trust in accordance with the guidelines that govern the use of GAG funding. The Trust will need to formulate an appeals mechanism, as per the Academy Trust Financial Handbook, if there is a decision to pool the Annual Grant. Currently the Trust takes a top slice approach for funding.

5.3 MONITORING AND REVIEW

Budget monitoring reports/management accounts are produced monthly and highlights variances where actuals are different to budget. The reports detail actual income and expenditure against budget both for budget holders and at a summary level for the Headteachers. A copy is provided to the Chief Executive Officer, Chief Operating Officer and Treasurer.

Reports are produced by the Senior Finance Manager for the Head of Finance who will consolidate the reports and provide commentary.

The monitoring process is effective and timely in highlighting variances in the budget so that differences can be investigated, and action taken where appropriate to address overspends.

The DfE expects academy Trusts to use their allocated funding for the full benefit of their current pupils. Therefore, it is important that, if the Trust has a substantial surplus, it has a clear plan for how it will be used to benefit both current pupils and to provide financial security for future pupils.

The DfE will also verify the sums of unspent funds when it checks the Trust's accounts and highlight and report, to the relevant DfE Boards, any cases where it has serious concerns about a long-term substantial surplus with no clear plans for use.

5.4 FINANCIAL DEVIANCE

The ALT protocol is for all constituent schools to have a reasonable level of autonomy in their operation. However, the ALT Executive Team and the Board recognises that financial and operational autonomy are areas of highest risk to the overall efficient and effective functioning of ALT as a whole.

Therefore, as these are the areas that need to be addressed immediately in terms of effective monitoring and evaluation, each constituent school will have a financial RAG rating (assessed formally 3 x per annum at the start of each new term and based on criteria agreed with the Trust Executive Team and Trustees) in order that accurate assessment of each school's position in relation to these two areas is made. Therefore, identification of any issues to be addressed is timely and accurate and plans for remedial action are structured and are likely to be more successful.

Different schools will be more or less successful in managing their budgets and in reacting to adversity caused by sudden changes and/or unexpected difficulties. It is the role of the COO, CEO and the Finance, Audit and Risk Committee to identify what is happening, whether there are remediable issues or not, and what would be most effective remedial action.

Any reductions in operational or financial autonomy will be situation dependent and decided by the CEO and the Finance, Audit and Risk Committee with advice from the COO.

6. PROCESS FOR INDEPENDENT CHECKING

Every academy Trust must have in place a consistent and agreed process for independent checking of financial controls, procedures, systems, transactions and risks.

The Financial Audit and Risk Committee for the Trust, along with the appointed internal auditor, undertake the process for independent checking of financial controls, procedures, systems, transactions and risks.

The committee will review the risks to internal financial control at the Trust and agree an annual programme of work that will address these risks, inform the statement of internal control and so far as is possible, provide assurance to the external auditors.

This programme will be managed through by employing an internal audit service.

6.1 INVESTIGATION OF FRAUD AND IRREGULARITY

The personal responsibilities of the Accounting Officer extend to the prevention of loss through fraud and irregularity. However, in addition to the Accounting Officer's responsibilities, the members of a Trust are also responsible for preventing such losses of public funds, and this means that members, Trustees and members of local governance committees must be aware of the risk of fraud and irregularity to occur within their organisations. They must, as far as possible, address this risk in their internal control and assurance arrangements by putting in place proportionate controls. The Trust is also responsible for ensuring appropriate action is taken where fraud and irregularity is suspected or identified. The Trust Fraud Policy outlines the actions for dealing with risk of significant fraud or corruption.

All instances of fraud or theft committed against the Trust, whether by employees or members of local governance committees or third parties, above £5,000 must be reported by the Trust to the DfE. Any unusual or systematic fraud, regardless of value, must also be reported.

The DfE reserves the right to conduct or commission its own investigation into actual or potential fraud, theft or irregularity in any academy either as the result of a formal notification from the Trust itself or as the result of other information received.

6.2 APPOINTMENT OF EXTERNAL AUDITORS

The Trust is required to prepare the annual financial statements and to submit them for an annual audit. This means that appropriately qualified external auditors need to be appointed. The appointment should be for a three-year period renewable at the discretion of the Trust.

The auditors are required to give an opinion on:

- Preparation of the financial statements in accordance with the Financial Reporting and Annual Accounts Requirements issued by the DfE
- Accounting records that have been kept by the Academy throughout the financial year
- Regularity - if anything has come to their attention which suggests that in all material respects the expenditure disbursed and income received during the period of account has not been applied for the purposes intended by Parliament
- Grants that have been made by ALT have been applied for the purposes intended

The Trust should arrange for on-going monitoring of the performance of the auditors to be undertaken by the Finance, Audit and Risk Committee.

Part Two Financial Procedures Overview

7. ACCOUNTING SYSTEM

The Trust is registered annually under the 1988 Data Protection Act. The registration will require a single Data Controller to be named. The named Data Controller for the Trust is Secondary, Education Director, Richard Corry.

All the financial transactions of the Trust are recorded on the Access Education Finance accounting system administered by the Trust Finance Team overseen by the Head of Finance. In addition, the Trust uses Parent Pay to collect monies in relation to trips, uniform etc.

Financial records are required by HMRC to be kept for a period of six years from the end of the accounting period.

7.1 SYSTEM ACCESS

The Access Education Finance accounting system and IMP Planning system are protected by access permissions for authorised staff. Access permissions are strictly controlled; individual log-ins and passwords must not be compromised or shared. Access to financial and budgeting systems is restricted to those who require access as a requisitioner, budget holder or financial processor. Headteachers are required to approve all School staff access and the Chief Operating Officer approves the Central Team access levels.

Staff leaving their roles at the Trust will have their permissions formally removed as soon as possible following the termination of a contract.

7.2 BACK-UP PROCEDURES

The Head of Finance is responsible for ensuring that there are effective back up procedures for the system, but to note that Access is fully cloud based.

A business recovery plan is in place in the event of loss of accounting facilities or financial data. This is shown in the Trust risk register and links in with the annual assessment made by the Board of the major risks to which the Trust is exposed and the processes that have been put in place to mitigate those risks.

7.3 TRANSACTION PROCESSING

All transactions input to the accounting system are authorised in accordance with the Procurement Policy which includes the Scheme of Delegation. Journal entries are documented in Access Finance, with any supporting documentation scanned into the system. Bank transactions are input by the AP/AR Manager and these are checked by Finance Managers as part of the month end routine. Bank reconciliations are undertaken by the Assistant Finance Manager and signed off by the Senior Finance Manager to ensure segregation of duties.

7.4 TRANSACTIONS REPORTS

The Head of Finance will obtain and review with Finance Managers and the AP/AR Manager system reports to ensure that only regular transactions are posted to the accounting system.

The reports obtained and reviewed will include:

- Monthly payroll reports
- Bank statement reconciliations
- Monthly credit card statements
- VAT returns
- Debtor and Creditor listings
- Accruals and Prepayments schedule

7.5 RECONCILIATIONS

The Head of Finance is responsible for ensuring the following reconciliations are performed and that any reconciling or balancing amounts are cleared:

- Payroll and Pension
- Bank balance per the nominal ledgers to the bank statements
- Procurement cards (charge cards and Equals card)
- VAT
- Trial balance
- Intercompany/school transactions

These items will be performed as part of a monthly accounting checklist and must be reviewed and signed off by the Head of Finance.

Any unusual or long outstanding reconciling items will be brought to the attention of the Chief Operating Officer.

8. PAYROLL

The main elements of the payroll system are:

- Staff appointments
- Payroll administration
- Payments

8.1 STAFF APPOINTMENTS

The Headteacher at each school, working with the Finance Manager, Head of Finance and CEO must ensure that adequate budgetary provision exists for any necessary establishment staffing appointments and changes prior to offers of change being made. This includes internal staff changes as these will be linked to curriculum plans and ICFP metrics.

Any proposed change that will increase costs compared to the agreed staffing budget, will require a business case, outlining benefits of the proposed change, to be submitted to the Head of Finance, Director of Education and Chief Executive Officer prior to recruitment. Both the Chief Executive Officer and Head of Finance will need to agree the change.

The files for each school are maintained by individual schools for all members of staff in the school. All personnel changes must be notified to the HR Team who will inform the external/linked Access payroll service. The Central HR team will notify the Trust Finance Team of any staffing changes so budget forecasts and the IMP planning software can be updated accordingly.

The Chief Executive Officer and Director of HR are responsible for ensuring that the Trust's pay policy is implemented and adhered to and responsible for ensuring that the statutory obligations around the safer recruitment policy and procedures are administered.

The Director of HR and the Central HR team are responsible for ensuring the maintenance of accurate records on the Access People system. Schools are responsible for the upkeep of all staff employed at each via the school single central record. The Headteacher will also be responsible for monitoring that the single central record is accurate, fully up to date and complies with all legal requirements.

Personnel information whether on manual files or in a computer system is held under the guidance of the HR Director with access strictly limited to authorised officials only and separately on the Trust and schools MIS computer system (SIMS and Arbor), for which relevant registration under the 1998 Data Protection Act is held.

8.2 PAYROLL ADMINISTRATION

The Trust payroll is administered by the Access Group.

Amendments to payroll data, e.g. appointments, resignations, pay changes and overtime, are processed via the Payroll Officers within the HR Team who then liaise with Access payroll. All casual working and overtime claims must be checked and confirmed by a budget holder when processed via People Access. A published calendar is provided to all School Office/Resource Managers for awareness of payroll cut-off and processing dates.

The Head of Finance (or Chief Operating Officer in the absence of the Head of Finance) is responsible for checking the payroll report according to the Payroll Check process.

The Trust has a responsibility for ensuring that all payments to individuals are subject to tax and national insurance deductions where appropriate. The following guidelines are followed:

- An assessment is made as to whether the individual is providing a contract of service (i.e. employed) or a contract for services (i.e. self-employed) under the IR35 Guidelines
 - If considered to be a contract of service, the individual shall be set up as an employee of the school before receiving payment through the payroll
 - Where an individual seeks payment from the school for a contract for services, this must be in the form of an invoice and will be subject to IR35 checks

Careful attention should be paid to repetitive payments to individuals and the engagement of 'Consultants'.

8.3 PAYROLL PAYMENTS

All staff are paid monthly by bank credit transfer to their bank accounts on the 23rd of the month.

The Access payroll system automatically calculates the deductions due from payroll to comply with legislation. The major deductions are for tax, national insurance contributions and pensions. The amounts paid are summarised on the payroll reports.

The School Office/Resource Managers undertake a check of each individual payment processed on the monthly gross to net reports provided by Access. Ordinarily, total there are 3 versions produced each month for each School as well as the Central Trust. Any variations are investigated and reported to the Payroll Officer prior to the payroll and payment values being agreed. The Head of Finance is responsible for final payroll sign off, giving Access Payroll permission to run the payroll and to take relevant funds from the Trust main bank account.

8.4 STAFF EXPENSES

Staff are expected to claim for work related expenses via the Access Expenses portal. This covers mileage claims (payable at the prevailing HMRC rate) and also any fully receipted claims for allowable expenses (such as subsistence), as outlined in the Staff Expenses Policy.

There is guidance on home to work mileage and inter-site travel. The Trust does not reimburse any fines and penalties incurred on Trust business. The Trust does not anticipate that staff will claim for materials or expenses that should have been purchased via the normal purchasing methods and may decline reimbursement if there is not sufficient reason or valid receipts for the ad hoc purchase.

8.5 TRUSTEE AND GOVERNOR EXPENSES

Trustees and Members are able to use the same expenses claim form as staff and can claim 'reasonable expenses' for mileage and undertaking governance duties.

All expenses are paid via BACS into a nominated bank account.

8.6 REVIEW OF STAFF PAY

The Pay Policy gives outline advice on pay awards, timings and process. There is an ALT Pay Review Committee which annually reviews the Pay Policy and pay award values. It also reviews the Chief Executive Officer and Chief Operating Officer pay.

9. PROCUREMENT

The Trust wants to achieve the best value for money from all our purchases. This means we want to get what we need in the correct quality, quantity and time at the best price possible. A large proportion of their purchases will be paid for with public funds and we need to maintain the integrity of these funds by following the general principles of:

- **Probity:** it must be demonstrable that there is no corruption or private gain involved in the contractual relationships of the Trust and constituent academies
- **Accountability:** the Trust is publicly accountable for its expenditure and the conduct of its affairs
- **Fairness:** that all those dealt with by the Trust are dealt with on a fair and equitable basis.

Note: Trust's funds must not be used to purchase alcohol for consumption, except where it is to be used in religious services.

10. PROCUREMENT OF GOODS AND SERVICES

The annual budget is set with input from Headteachers, Education Directors and the Chief Executive Officer. Therefore budget holders input into the budget through Headteachers and may also be invited to budget meetings. The budget is approved at FARC and the recommended for approval by the Board. Once approved it is made available to budget holders to enable them to plan for the financial year.

It is the responsibility of the budget holder to manage their element of the budget and to ensure that the funds available are not overspent. Budget holders are able to access their budget in real time via the Access Workspace screen. In addition a summary report detailing actual expenditure against budget will be supplied to each budget holder by workday 15 in each month.

Finance Managers will meet with Headteachers on a monthly basis and be available to meet budget holders on a regular basis to review and monitor income and expenditure against budget.

All expenditure will follow the Procurement Policy guidelines for purchasing and tendering.

10.1 PURCHASE ORDERS

The procurement of goods and services is the process potentially most open to abuse or mismanagement. It is therefore essential to have strong financial controls to safeguard ALT's interests and to ensure staff are fully protected.

It is essential that all of the following controls are adhered to:

- Orders for goods and services must not be entered into verbally purchase orders should always be used.
- Orders for goods and services must be confirmed in writing/email, using an official Purchase Order form. This can be generated from the Access Education Finance system. It is the responsibility of the budget holder to be satisfied that the work, goods, materials or services are appropriate and necessary, that there are adequate funds in the budget for that purpose and that sufficient quotes have been obtained.
- Requisitions are made directly via the Access Education Finance system. Uniquely numbered purchase orders will be produced from the system and are dispatched to suppliers via email.
- Purchase Orders enable the Access Education Finance system to automatically update the financial records creating committed expenditure in the accounts which is included in management reports.
- In exceptional circumstances (e.g. emergency repairs) orders may be placed by telephone. In such circumstances a confirmation order should be generated. Orders may be scanned to suppliers to reduce timelines. Care should be taken to scan both sides of the official order form, so the supplier receives the school's terms and conditions
- Orders may only be used for goods and services provided to the school, private individuals and other organisations may not use Purchase Orders to obtain work, goods, materials or services net of VAT
- Orders under £1,001 can be approved by budget holder and orders under £5,001 can be approved by Trust Finance Managers, who will be responsible for ensuring that reasonable steps have been taken to achieve Best Value. Best Value could be achieved by:
 - Supplier chosen from the list of approved suppliers
 - Bulk purchasing of common consumables
 - Negotiating discounts
 - Taking advantage of sale seasons
 - Reviewing evidence of quotations (as supplied via budget holders)

10.2 BUSINESS CHARGE CARDS

Business Charge cards are held by named cardholders within the Finance team. The balance on each card is cleared monthly and does not incur interest. Each cardholder is personally responsible for the safe custody of their card and it should be held securely at all times with loss of cards reported immediately.

Both the cardholder and requestor of the order are jointly liable for the integrity of all transactions and proper and controlled use of the procurement card. All receipts are produced and reconciled monthly to the monthly statement downloaded from the Lloyds portal by Finance Managers. The Finance Officers match the statements to receipts and ensure the statements reconcile.

Finance Managers check monthly reconciliations to ensure that the business charge card system is operating correctly.

10.3 INVOICE PROCESSING

When invoices are received the Finance Officer check that all the elements of the invoice are correct before passing for payment. The following will be checked:

- Invoices from suppliers are received to the Finance@ mailbox for the relevant school so that the Finance Officer responsible for that school can check the invoice against the Access Education Finance generated order (or equivalent in exceptional circumstances) and the delivery note to evidence the following:
 - a) invoice arithmetically correct
 - b) goods/services received
 - c) goods/services as ordered
 - d) prices correct
 - e) that the invoice has not previously been paid
- Invoices will be authorised for payment if they match directly to the already authorised Purchase Order. Any which have discrepancies of more than £5 or 10% whichever is the greater, will be returned to the relevant cost centre budget holder for re-authorisation, and then passed to the academy's finance office for recording and payment through the Access Finance system.
- Where delivery notes are not produced, then the receipt of goods and services should be recorded on the order form. All discrepancies should be discussed with the supplier of the goods and services without delay.
- If any goods are rejected or returned to the supplier because they are not as ordered or are of sub-standard quality, the school finance team should be notified.
- Valuable items that are portable and desirable should be security marked and added to the asset register.

10.4 CREATING NEW SUPPLIERS

Any requests for new suppliers will be checked by the AP/AR Manager to ensure they are a legitimate supplier, this includes checking with Companies House and HMRC for IR35 purposes. The AP/AR Manager will send the supplier a form requesting bank details, VAT details (if appropriate) and email address for remittances.

10.5 CHECKING OF SUPPLIER STATEMENTS

All supplier statements are retained and checked upon receipt against vendor line items. If an invoice number and amount cannot be matched then the supplier will be contacted to provide a copy invoice.

Finance Officers will undertake an additional monthly review against the aged creditors list and notify the AP/AR Manager and the School of any issues identified with the prompt payment to suppliers.

11. RECEIVING INCOME

The main sources of income for the Trust are the grants from the DfE and Local Authority. The receipt of these sums is monitored directly by the AP/AR Manager overseen by the Head of Finance who is responsible for ensuring that all grants due to each School are collected.

Schools also obtain income from:

- Student teachers from universities and other institutions.
- Hiring of premises and facilities.
- School meal sales.
- Uniform sales.
- Students, mainly for trips.
- External peer review and support services.
- Curriculum departments generating income through entrepreneurial activities.

Premises hire charges are determined by the Headteacher, which are determined by benchmarking/research to ascertain market rates. This will be agreed by the Chief Operating Officer at the start of each academic/financial year.

Bookings and safeguarding processes for school-based lettings are managed by the Office/Resource Manager who will notify the Finance Officers so they can raise a Sales Invoices via the Access Education Finance system. Office/Resource Managers should ensure that relevant certificates of Insurance Liability are received, along with a booking form.

Nursery income and bookings are managed via the Nursery Manager. The nursery income funding transactions and sales invoices are recorded on the Connect nursery software. Agreed and reconciled balances will be moved into the Access Education Finance system on a monthly basis.

All monies received is banked, in its entirety, in the appropriate bank account. All cash must be counted with an accompanying banking sheet completed, both of which are given to the Finance Officer to check. Cash is held in the safe within the Finance Office until it is taken to a Lloyds Bank or Post Office for banking. The collection of cash is a risk, and schools should work with the Finance Team to put in place online/cashless payment systems where possible.

The Finance Team is responsible for preparing reconciliations between the sums collected, the sums deposited at the bank, sums received via any on-line booking process (including ParentPay) and the sums posted to the accounting system. The reconciliations are prepared promptly after each month end by the Assistant Finance Manager.

All outstanding invoices are reviewed each month by Finance Officers with debts over 60 days being brought to the attention of the Head of Finance as part of the month end processes. Outstanding balances are pursued to ensure that the Trust receives all monies due. A debt collector can be used in exceptional circumstances if approved by the Chief Operating Officer.

12. RECONCILIATION PROCEDURES

It is essential that thorough procedures are in place to ensure that all costs incurred, and income received by the Trust are valid and verify that such amounts are properly receivable/payable. The Head of Finance

is responsible for ensuring that controls are in place for these checks to be carried out, and will delegate this role to Finance Managers and the AP/AR Manager.

The Head of Finance is ultimately responsible for ensuring the following reconciliations are performed each month, and that any reconciling or balancing amounts are cleared:

- **Payroll** – each school will receive monthly payroll reports from the payroll provider to check that transactions for supply staff, casual staff and overtime have been made correctly against authorised claim forms submitted.
The Systems Accountant undertakes a monthly reconciliation between the current month's actual expenditure and the budgeted payroll costs in IMP. Any variations over 3% are investigated with a feedback loop through Finance Managers to Headteachers.
- **Bank balance per the nominal ledger to the bank statement** - the Assistant Finance Manager ensures bank statements are downloaded regularly undertaking the bank reconciliation on a monthly basis. This process ensures that the bank accounts are reconciled to the cashbook and these are signed by the Senior Finance Manager monthly.
- **Charge cards/Equals cards** - monthly statements are downloaded from the Lloyds bank portal and the Equals portal.
Receipts are produced and reconciled monthly by Finance Officers to the monthly statement. These are signed off by the Assistant Finance Manager as part of the month end reconciliations.
- **VAT** – input and output VAT is posted directly to the control accounts when Finance Officers are entering transactions into the ledgers. Cashbook journals will also be applicable to VAT treatment.. The Assistant Finance Manager will provide the Contractor, Alison Hone to undertake the quarterly VAT Return with the VAT return detail. Once this has been reviewed by Alison, along with the partial exemption calculation and the analysed and completed return this will be returned to the Assistant Finance Manager who will submit it through the Moore South Making Tax Digital portal.
The Assistant Finance Manager will then post the irrecoverable VAT into the ledger and reconcile the VAT control accounts.
The VAT Contractor will advise on transactions which have not been processed correctly and advise where further training may be required for Finance staff.
The annual recovery percentage will be calculated at the end of the financial year with an annual adjustment submitted at the end of the first quarter of the new year for the prior year.
For most quarters there will be a repayment to ALT, this will be received from HRMC and posted directly to the VAT control account.
- **Month end process** – a detailed month end process is undertaken by the Finance Team to ensure monthly management and monitoring reports with the following reports produced for each School and the Central Trust:
 1. Aged Creditor Report
 2. Aged Debtor Report
 3. Trial Balance
 4. Balance Sheet
 5. BvAvC report
 6. Income & Expenditure Report

The consolidated reporting will consist of:

1. Income & Expenditure
2. Balance Sheet
3. Cashflow
4. Commentary on year-to-date performance against budget and future direction

13. BANK ACCOUNT

The Trust has one main bank account, Schools have previously had individual bank accounts and these have remained open to date whilst transactions have been transferred to the main account.

There has been a separate bank account for ALT Enterprise Limited and the Wellington Endowment Fund.

The following controls apply:

- There is an online facility to view the Trust bank accounts and credit card transactions (Lloyds Commercial Banking Online, CBO).
- The main Administrator on the account is the Senior Finance Manager, who can add/delete staff and permissions. The second Administrator is the Chief Operating Officer.
- The mandate operates where all BACS payments, cheques and Direct Debits must have two authorised signatories, from Pool A and Pool B (see Appendix A).
- No member of staff is permitted to make payments to themselves or to someone closely connected to themselves or any organisation in whom/which they have a pecuniary interest.

The current account has a funding and creaming facility on it which means that a balance of over £50,000 will be transferred at the end of each day to an instant access deposit account where it can earn interest. The current account will have a maintained balance of £50,000 at the start of each day with three day payments processed under these terms. Lloyds bank do not charge banking fees however they do not pay interest therefore this process ensures a return on monies held. No overdraft is available on the bank account.

Direct debit payments are set up for the payment of utility bills and other suppliers which provide frequent bills. The value of each Direct Debit should be reviewed and compared with invoices received from the supplier. Suppliers paid by Direct Debit must be reviewed regularly to ensure they continue to provide value for money.

13.1 INVESTMENTS

The opening and transferring of funds to investment accounts are undertaken by the Head of Finance and Chief Operating Officer with agreement from FARC.

The Trust Investment policy is followed in these circumstances with reporting back to the Committee at each meeting.

14. PETTY CASH ACCOUNTS

The Trust does not operate petty cash.

15. FIXED ASSET INVENTORIES

The asset register is held on a spreadsheet which is maintained by the Assistant Finance Manager. The Assistant Finance Manager reconciles the register monthly by reviewing additions, processing disposals and calculating depreciation. The register is checked at least annually by Office Managers to ensure that the register is correct, and the Balance Sheet is not overinflated in value.

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding required continued use of the asset, the related grants are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than land, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

- Leasehold Land – not depreciated
- Buildings 50 years
- Plant and machinery 10 years
- Computer equipment 3 years
- Fixtures, fittings & equipment 10 - 20 years
- Motor vehicles 4 years

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the statement of financial activities.

The asset register includes the following:

- Asset description
- Asset number
- Date of acquisition
- Asset cost
- Expected useful economic life
- Depreciation
- Net book value
- Site location

The Trust has determined appropriate depreciation rates, based on the assessment of the useful economic life and expected residual value when the assets are acquired. Depreciation will be charged annually using the following straight-line percentages:

The immediate responsibility for the safeguarding of equipment lies with the end user departments. In support of this, the Trust and schools provide security measures, including caretaker cover, burglar alarm systems, inventories, security marking, maintenance and support agreements where appropriate, and insurance cover.

16. ACQUISITIONS AND DISPOSAL OF ASSETS

The Trust must seek and obtain prior written approval from the Secretary of State, via the DfE, for the following transactions:

- Acquiring a freehold on land or buildings
- Disposing of a freehold on land or buildings
- Disposing of heritage assets beyond any limits set out in the Trust's funding agreement in respect of the disposal of assets generally.

Schools may dispose of any other fixed asset (i.e. other than land, buildings and heritage assets as described above) without the approval of the Secretary of State. Any disposal must maintain the principles of regularity, propriety and value for money. This may involve public sale where the assets have a residual value.

Some property transactions may be novel or contentious and so require the consent of the Secretary of State on that basis. Novel payments or other transactions are those in which the school or the Trust has no experience or are outside the range of normal business activity for the Trust. Contentious transactions are those which might give rise to criticism of the Trust by the public or the media. It is difficult to be specific about what might constitute novel or contentious payments; it is for Trusts to use their judgement about when they should seek the prior advice of the DfE. Public money must always be spent prudently and in ways that command broad public support.

Items which are to be disposed of by sale or destruction must be authorised for disposal by the Head of Finance and Chief Operating Officer. Where significant should be sold following due process:

- Take reasonable steps to advertise the disposal
- Invite bids for the asset (sealed bids are preferable)
- Negotiating with potential purchasers

The Trust must seek the approval of the DfE in writing if it proposes to dispose of an asset for which a capital grant in excess of £20,000 was paid.

17. INSURANCE ARRANGEMENTS

The Trust takes out insurance as it sees fit and/or as it is advised, and to comply with statutory requirements. ALT has chosen to be part of the RPA scheme and the following is covered:

- Buildings and contents
- Business continuity
- Employers and Public Liability

Additional cover is currently obtained by each school to cover leased vehicles (such as minibuses) and some plant and equipment.

All risks are reviewed annually to ensure that the cover is adequate.

All contractors must have public liability insurance before they are allowed to undertake work on any of the Trust's premises and this is to be verified as part of the Supplier set up process.

People hiring the school's premises and using facilities must produce a valid public liability insurance with indemnity up to £5,000,000. This should be verified at school level by the Office/Resource/Commercial Manager.

18. AUDIT

Schools in the Trust will be subject to regular internal audits as per the DfE Trust Financial Handbook. Juniper is engaged to undertake this. The statutory external audit is undertaken by Moore South who also create the Statutory Financial Accounts which are submitted to Companies House and the DfE.

19. OTHER MATTERS

Services provided by sponsors and sponsor-related bodies

The Trust must ensure that any contracts for services provided to the Trust and /or constituent academies are properly procured and present value for money. The Trust must ensure that sponsor fees and consultancy rates included within contracts are reasonable, represent value for money and are good use of public funds.

Irregular or improper transactions

Situations may arise where it may appear to the Trust to make sense to enter into a transaction which is irregular, improper or does not provide value for money. In these circumstances the Trust must seek prior, written permission from the DfE. Such transactions may additionally require HM Treasury approval dependent on the nature of the transaction involved.

20. FINANCIAL REPORTS TO TRUSTEES

The Chief Operating Officer, in conjunction with the Head of Finance is responsible for providing the Trust Board with a report on the financial position of the Trust at regular intervals. As per the DfE Academy Trust Financial Handbook guidelines, the report should be produced monthly for the Chair of Trustees, Chief Executive Officer and Chair of the Finance, Audit and Risk Committee.

Financial reports will be:

- **Produced promptly** - Financial reporting is carried out in line with the DfE Academy Trust Financial Handbook.
- **Accurate** - Actual expenditure appearing on the report agrees to what has been processed in the Access Education Finance system. The bank is reconciled and where amounts have been charged to the school and are still in dispute, these are included in the actual expenditure until queries have been resolved.
- **Complete** - To a “true and fair” view of the Trust’s and each school’s financial position the reports to include committed expenditure including details of orders and invoices outstanding.
- **Understandable** - Reports are understood by the intended recipient. Finance Managers will ensure reports are discussed with Budget Holders and provide further training and explanation if necessary.
- **Concise** - Reports are summarised and do not contain an unnecessary amount of detail. Expenditure and budget totals are summarised under the headings contained in the annual DfE funding statement and in the annual accounts.
- **Include a profiled budget** - To ascertain whether the level of income or expenditure to a given date is reasonable, the expected figures up to the same date will be provided by the inclusion of a profiled budget. Based on knowledge of the individual’s school’s income and spending patterns, the profile looks at the total budget for the year and indicates what percentage of that budget it would be reasonable to have spent by the specified date.
- **Include explanatory notes** - Where there are significant variances on budget headings an explanation will be provided with the report. Proposed actions to address variances will also be reported.

- **Include a projected out-turn on a rolling quarterly basis** - which is an estimate of the final budget position of the Trust and constituent academies at the end of the financial year.

21. LINKED TRUST FINANCIAL POLICIES or ACADEMY TRUST HANDBOOK (ATH)

- Procurement Policy
- Charging and Remissions Policy
- Fraud Policy
- Pay Policy
- Related Party Transactions (See ATH)
- Reserves policy
- Capital SCA (See ATH)
- Conflict of Interest Policy
- Accepting Gifts in the Workplace – embedded in code of conduct policy

APPENDIX A - Financial Scheme of Delegation

Expenditure Authorisation Limits per transaction, excluding staffing	Revenue	Expenditure	Capital <i>Capitalisation limit is £10K or over</i>		Charge Card per Month
			DFC	SCA	
Trust Board	Over £100,001	Over £100,002	Over £100,001	Over £100,001	£Nil
Finance, Audit and Risk Committee	Up to £100,000	Up to £100,001	Up to £100,000	Up to £100,000 with prior Board approval	£Nil
COO or CEO	If in Approved Budget and within 10% Tolerance	If in Approved Budget and within 10% Tolerance	If in Approved Budget and within 10% Tolerance	If in Approved Budget and within 10% Tolerance	If in Approved Budget and within 10% Tolerance
COO or CEO	Up to £50,000	Up to £50,001	Up to £50,000	Up to £50,000 with prior Board approval	Up to £10,000
Head of Finance	Up to £25,000	Up to £25,000	Up to £25,000 with CEO and COO approval	Up to £25,000 with CEO and COO approval	£Nil
Headteacher (within agreed school budget)	Up to £10,000	Up to £10,001	Dependent on agreed Development Plan	£Nil	£Nil
Trust Central Finance Manager & AP AR Manager (Within agreed school/MAT budget)	Up to £5,000	Up to £5,001	Dependent on agreed Development Plan	£Nil	Up to £5,000
Non-teaching budget holder (Premises, Nursery etc.) Within agreed school budget	Up to £1,000	Up to £1,001	£Nil	£Nil	Up to £1,000

Signing of Contracts	Procurement level	Process required
<p>Definition an agreement/License for less than 1 year and less than £10,001 (ex VAT) that has no defined T&Cs, Notice Period or penalties</p>	<p>Headteacher</p>	<p>To notify the Central Finance team so that the agreement/License can be recorded in appropriate budgets and the central contract register held on the Every central system</p>
<p>Definition an agreement/License for greater than 1 year duration, irrespective of value (ex VAT) that has defined T&Cs, Notice Period or penalties</p>	<p>COO/CEO</p>	<p>The Trust is the contractual body, therefore any contract shall be signed by the COO or CEO and recorded in appropriate budgets and the central contract register held on the Every central system.</p>

✓ = Approve R = recommendation/information from I = input from	DfE	Board	Finance, Audit & Risk Committee	CEO	COO	Head of Finance	HR Director	Head Teachers	Finance Managers	Budget Holders
Create the annual revenue and capital budgets (in the context of the 3-5 year forecast)				✓	✓	I		I	I	
Approve the annual revenue and capital budget plan proposed by the Finance, Audit and Risk Committee		✓	R							
To consider at least three times a year revenue and capital budget monitoring reports including variances between actual and approved budget year to date, projected outturn and approved budget, including narrative explaining the reasons for variances (management accounts)			✓		R				I	
To approve additional spending plans which were not in the annual approved budget. Report to the Trust Board via the Finance , Audit and Risk Committee		✓	R	I	I	I				
To approve any spending from Reserves which were not in the annual Board approved budget. Report to the Trust Board via the Finance, Audit and Risk Committee		✓	R	I	I	I				
Any policy and arrangements for Pooling of Funds		✓		R	I	I				
Reserves Policy and taking actions necessary to support the achievement of the policy		✓	R	I	I	I				

Authorise Contracts/Licenses for greater less than 1 year duration and below £10,001								✓		
Authorise Contracts/Licenses for greater than 1 year duration (Finance, Audit and Risk approval greater than £50,000 and Board approval for contracts greater than £100,000)		✓		✓	✓					

✓ = Approve R = recommendation/information from I = input from	DfE	Board	Finance, Audit & Risk Committee	CEO	COO	Head of Finance	HR Director	Head Teachers	Finance Managers	Budget Holders
Authorise requisitions for processing as orders (generated through Access Finance) to suppliers for up to and including £1,000 for goods and services within budget						✓		✓	✓	✓
Authorise requisitions for processing as orders (generated through Access Finance) to suppliers for up to and including £5,000 for goods and services within budget						✓			✓	
Authorise requisitions for processing as orders (generated through Access Finance) to suppliers for between £5,001 and £10,000 following receipt of three written quotes						✓		✓	R	
Authorise orders (generated through Access Finance) to suppliers for requisitions between £10,001 and £25,000 following receipt of a Business Case						✓		R		

Authorise orders (generated through Access Finance) to suppliers for requisitions between £25,001 and £50,000 following receipt of a Business Case				✓	✓			R		
Authorise orders (generated through Access Finance) to suppliers for requisitions between £50,001 and £100,000 Following outline Board approval and a formal tendering process undertaken in accordance with the Trust's Financial Regulations			✓	R	I					
Authorise orders (generated through Access Finance) to suppliers for requisitions over £100,001 following formal tendering process undertaken in accordance with the Trust's Financial Regulations and PCR guidelines and authorised by the Trust Board on the advice of the Finance, Audit and Risk Committee		✓	R	I	I					
Staff Severance where non-statutory/non-contractual payment is £50,000 or more (approval required in advance).	✓	R	R					I		
Staff Severance where non-statutory/non-contractual payment is less than £50,000 (approval required in advance)				✓	I					

✓ = Approve R = recommendation/information from I = input from	DfE	Board	Finance, Audit & Risk Committee	CEO	COO	Head of Finance	HR Director	Head Teachers	Finance Managers	Budget Holders
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Compensation where non-statutory/non-contractual payment is £50,000 or more (approval required in advance)	✓	R	R				I			
Compensation where non-statutory/non-contractual payment is less than £50,000 (approval required in advance)				✓	I		I			
Ex-gratia payments	✓	R		R			I			
Open/close bank accounts		✓	R	R	I	I				
Any Two Signatures for cheques (being phased out) <i>See table on page 2</i>		✓		✓	✓	✓			✓	
Any two authorised to process BACs payments up to defined limits (based on payroll runs, any capital schemes) <i>See table on page 2</i>		✓		✓	✓	✓			✓	
Bank loan, overdraft	✓									
Charge cards (for business use, not personal use and paid in full each month). To be approved/operate in accordance with the Trust Financial Responsibilities Procedures				✓	✓				✓	
To manage the Investment of Trust surplus funds					✓	I				
To approve the Investments Policy to manage, control and track financial exposure, and ensure value for money; to review the trust's investments and investment policy on a regular basis.			✓		I	I				

Authorise Equals card balances up to £00 (replaces majority of petty cash transactions)					✓	✓			✓	
Re-imburse staff expenses via Payroll				✓	✓	✓	✓	✓		✓

✓ = Approve R = recommendation/information from I = input from	DfE	Board	Finance, Audit & Risk Committee	CEO	COO	Head of Finance	HR Director	Head Teachers	Finance Managers	Budget Holders
Enter into insurance arrangements for land, buildings employee liability and other major risks		✓		✓	✓					
Enter into insurance arrangements for trips, minibus and other minor risks where a Trust agreement has not been negotiated									✓	
Granting a lease on land and buildings	✓									
Take up a finance lease	✓									
Take up a leasehold on land and buildings with lease term 7 years or more <input type="checkbox"/>	✓									
Take up a leasehold on land and buildings with lease term less than 7 years		✓		R						
Take up an operating lease 5 years or less					✓					

Writing off debts and losses which exceed 1% of the Trust annual income or £45,000 per single transaction, or 5%, of total annual income cumulatively (to a max of £250k)	✓	R			I	I				
Write off unrecoverable bad debts of an individual debtor between £0 and £500					I	I			✓	
Write off unrecoverable cumulative bad debt across debtors in a twelve-month period over £501 and below £20,000			I		✓	I				
Write off unrecoverable bad debts' cumulative debt across debtors in a twelve month period less than or equal to £20,001			✓		R	I				
✓ = Approve R = recommendation/information from I = input from	DfE	Board	Finance, Audit & Risk Committee	CEO	COO	Head of Finance	HR Director	Head Teachers	Finance Managers	Budget Holders
Acquiring a freehold on land and buildings	✓	R				I				
Disposing of a freehold on land and buildings	✓	R				I				
Disposing of heritage assets	✓	R				I				
Disposing of assets (not land, buildings or heritage) above fair value of £5,000		✓		R		I				
Disposing of assets (not land, buildings or heritage) below fair value of £5,000.					✓	I				

ⁱ The responsible officer must keep the policy or procedure current between formal reviews. Minor or technical changes to a policy or procedure that do not affect its substance may be made by the responsible officer without requiring approval from the approving body. Examples include updating staff names, contact details, or making technical adjustments required by legislation or guidance that do not alter how the policy or procedure works. If a proposed change is substantial and does not qualify as a minor or technical drafting amendment, the revised policy or procedure must be submitted to the next available meeting of the approving body for consideration and approval.