



Bengeworth
Multi Academy Trust

Brilliant People • Better Schools • Bright Futures

FINANCE AND FINANCIAL PROCEDURES POLICY

Updated 16th November 2023

This document sets out the
regulations for the
whole Academy Trust



Introduction.....	4
Financial Planning.....	7
The budget cycle.....	7
Budget	7
Other Government Funding	8
Other Grants and specific funding.....	8
Virements	9
Revised Budget	9
Budget Forecast Return.....	9
Monitoring and review (including management accounts)	9
Independent checking procedures.....	10
Review of regularity.....	10
Annual accounts	11
Value for money statement.....	11
Audit arrangements.....	11
Work undertaken during accounting period	11
Work undertaken for the year end	12
Accounts Return	12
Document retention	12
Accounting system	12
System Access.....	13
Back-up Procedures.....	13
Transaction processing.....	13
Transaction reports	14
Reconciliations.....	14
Cash Management.....	14
Bank Accounts	14
Deposits	14
Payments and withdrawals	15
Administration.....	15
Petty Cash.....	15
Payments	13
Administration.....	13
E-procurement & Payments	16
BACS Payments.....	16
Investments	17
Reserves.....	17
Capital Reserves	18
Endowments.....	18
Payroll.....	18
Staff Appointments	18
Payroll Administration.....	19
Payments	20
Salary advances	21
Overtime.....	21
Travel Claims.....	20
Severance payments	21
Ex-gratia payments.....	21
Income	21
EFA grants.....	22

Other grants	22
Trips.....	22
Catering	22
Lettings	23
Sundry income.....	23
Gift aid	23
Bad debts.....	23
Purchasing	24
Routine Purchasing.....	24
E-procurement	24
Orders	25
Orders over £1,000 but less than £5,000	26
Orders over £5,000 but less than £20,000	26
Orders £20,000 - £50,000	23
Official Journal of the European Union	26
Trading with related parties	26
Trading with connected parties.....	28
Goods and services for private use	28
Forms of Tenders.....	28
Preparation for Tender.....	29
Invitation to Tender.....	29
Tender Acceptance Procedures.....	29
Tender Opening Procedures.....	29
Tendering Procedures	30
Insurance	30
Governors/Trustees Expenses.....	31
Gifts.....	31
Energy Management	31
Fraud	32
Whistleblowing.....	32
Leasing.....	32
Pooling of GAG	32
VAT 126 form.....	30
Fixed assets.....	33
Asset register	34
Security of assets.....	34
Disposals	35
Loan of Assets.....	35
Reporting Requirements for ESFA, MAT, school governing body.....	35

These documents must also be referred to in conjunction with this Finance and Financial Regulations Policy:

- BMAT Best Value Statement (and in the annual accounts)
- School Development Plan and timetable for review
- BMAT Scheme of Delegations
- BMAT Lettings Policy
- Charges and Remissions Policy
- Asset Management Plan
- ICT and Acceptable Use Policy
- Staff Handbook
- Finance Instructions for SAGE 200.
- ESFA Risk Protection Scheme.

Review Date **16th November 2023**

Signed by Executive Head

Chair of MAT Board/Directors

Introduction

1. The purpose of this manual is to ensure that the academy maintains and develops systems of financial control, which conform with the requirements both of propriety and of good financial management. It is essential that these systems operate properly to meet the requirements of our funding agreement with the Secretary of State for Education, through the Education and Skills Funding Agency (ESFA).
2. The academy trust must comply with the principles of financial control outlined in the Academy Trust Handbook. This manual expands on that and provides detailed information on the academy's accounting procedures and the system manual should be read by all staff involved with financial systems.
3. This manual serves as an adjunct to the scheme of delegation providing information on the day-to-day operations and practicalities forming from this financial regulation manual.

MAT POLICY

The MAT Board

The MAT Board is collectively responsible for the overall direction of the Multi Academy Trust and its strategic management. This involves determining the guiding principles within which the Academies will operate and make decisions, for example, how the finances of the Trust will be run and decisions about each Academy's delegated budget. The MAT Board has determined that Academies in the Multi-Academy Trust will use SAGE as the accounting system and this will be managed and monitored by a Central Office.

The MAT Board is legally required to agree each Academy's annual Budget Plan. All Academies must submit their draft Budget Plans for the subsequent academic year to the MAT Board before the 18th April each year for consideration and approval by the Board. The Budget Forecast Return for the Multi-Academy Trust must then be prepared ready for submission with assistance from the Accountants. The Chief Executive Officer as Accounting Officer, forwards details of the approved Financial Year Budget Forecast Return in to the ESFA by

their deadline each year. Any subsequent budget changes are enacted in accordance with the Scheme of Delegation.

The MAT Board is responsible for the appointment of the Chief Executive Officer. The Chief Executive Officer as the Accounting Officer, is responsible on a day-to-day basis for the management of the Multi-Academy Trust's finances within the approved budgets, in accordance with the Multi-Academy Trust's policy on Best Value (see Academy Accounts) and in line with the MAT Development Plan and each Academy's School Development Plan. The Chief Executive Officer has no authority to exceed the approved budget and must operate within the financial limits of delegated authority. The roles and responsibilities of the Chief Executive Officer, Headteacher/Heads of Schools and other staff in relation to financial decision-making and administration are detailed in each section of this policy and the appendix at the end.

The MAT Board maintains a register of Declarations of Interests of all Directors of the MAT, school governors, Chief Executive Officer and any other staff who may influence decisions in any matter concerning the Multi-Academy Trust. This is open to examination by governors, staff, parents and auditors. "Declarations of interest" must be a standing agenda item on all MAT Board and Trustee and school governor meetings.

MAT Reserves Policy

The Trustees, in conjunction with the school governing bodies, review the resources of the Academy and recognise the need to have sufficient reserves to protect against possible reductions in the funding. Any reserves will be held in line with the ESFA guidelines. The policy will aim to carry forward sufficient funds to meet the Trust's long term aims and objectives, ensuring that this does not affect its current operational activities. Some of the Carry Forward includes Restricted Funds like the UIFSM Grant for the following financial year. The majority of the school allocations are GAG and if future government funding is restricted, Directors are aware that financial decisions to reduce provision will reduce quality of education and negatively affect standards. With the current economic climate of high inflation, it is assumed that GAG allocations will increase accordingly as costs continue to rise. The Trustees will consider a Leadership Restructure in response to further reductions in funding, to ensure the strategic future of the Trust.

(ESFA - A school or Academy with excess surplus balances can be challenged. Using ESFA guidelines a school's uncommitted surplus balance should be no more than 8% for Nursery and Primary schools of in-year funding. Permitted balances include prior year commitments; unspent grants and funds for other specific purposes (e.g. building works). Schools will be able to build up reserves towards particular projects but cannot defer implementation indefinitely).

- 1 Reserves have fallen and the MAT is making savings wherever possible to prevent deficits in future years. Savings will be required to support the budget next year and the following year unless future funding improves.
- 2 Reserves should sit at between 5-8% of the ESFA GAG (General Academy Grant – unrestricted funds) as they did in the past, so that there are sufficient funds to offset any long term absences, emergencies or large unexpected premises costs. There is currently no contingency available for any unexpected costs.
- 3 There is an ambition to build reserves to around 8% to provide security, but this depends heavily on the level of central funding given to academies in the future. Under the 'Fairer Funding' formula Bengeworth Multi-Academy Trust loses -2.8%. In reality this means that the funding will be restricted for two years whilst costs continue to increase. Bengeworth CE Academy has received a large top-up amount each year in the funding formula to meet the minimum funding level. Falling reserves may put the Trust under pressure in future years. (See pt 74.)
- 4 There are plans to expand the Trust by adding further schools that should make savings with economies of scale. Senior Leadership has been grown to allow expansion of the Trust and it now needs to grow. Training and leadership services are developing well and leadership support is being sold to other schools.
- 5 The Academy is well aware of the LGPS Pensions Deficit and is making a monthly contribution to offset this over an 18 year period. The Trust is currently having to pay around £61,000 a year. The three yearly Revaluation took place in October 2022 and there is now a better financial position in the fund but the Pensions Deficit payments must continue for the 3-year valuation period to mitigate future economic effects.

6 New fixed assets are purchased on a rolling basis and as needed from the unrestricted funds of the Trust. The amount of fixed assets owned by the Trust is relatively low. Assets like computer equipment, furniture and large electrical items are usually purchased as part of the annual Budget Forecast process and are depreciated over 3 to 5 years. There are some large Capital builds being undertaken which will appear in the next financial year's accounts – a BMA Room at Bretforton Village School, a new Nursery build at Bengeworth CE Academy and 3 CIF Projects amounting to £976,344 for Fire Safety Measures at both schools and Safeguarding at the Burford Road site.

At the end of 2022/23 the carry forward includes total Capital Grant Funding of £93,827 which must be used for Capital projects and is being carried forward towards the new Nursery Build (which opened partly in September 2023 and is due to be completed in the autumn term).

UIFSM Grants of £52,157 and £5,048 will also carry forward in the Year End accounts for the period September 2022 to March 2023 (paid to the Trust in July). There are no other Restricted Funds or any large amounts for projects in the Carry Forward figure.

The local School Governing Body

The local School Governing Body is collectively responsible for the overall direction of their Academy and its financial management. This involves following the guiding principles within which the Academy must operate and making decisions, for example, how to spend the Academy's delegated budget. It is legally required to agree the Academy's annual Budget Plan and submit it to the MAT Board before the annual deadline of 18th April.

The local School Governing Body has a strategic role to realise its mission as a Community school and has responsibility for setting educational and financial priorities, for oversight of sound financial management and for ensuring the budget is managed effectively, reporting back to the MAT Board of Directors. It is also responsible for ensuring the school meets all its statutory obligations and, through the Headteacher/Head of School and the Chief Executive Officer, complies with the ESFA's financial regulations.

Governance

- The Headteacher/Head of School is responsible on a day-to-day basis for the management of the Academy's finances within the approved budget in accordance with the MAT policy on Best Value and in line with the School Development Plan. The Headteacher/Head of School has no authority to exceed the approved budget and must operate within the financial limits of delegated authority. The roles and responsibilities of the Headteacher/Head of School and other staff in relation to financial decision-making and administration are detailed in this policy.
- A MAT Finance, Audit and Personnel Committee is set up to consider strategic financial issues on behalf of the MAT Board and Trust and its remit and membership is reviewed annually. The school governing body may set up its own local finance committee to oversee the school level financial business.
- The financial limits of delegated authority of the governing body are detailed in the Appendix. Details of the MAT Committee structure; constitution and current membership are available from the Clerk to Governors.
- The school governing body has agreed with the Headteacher/Head of School the minimum frequency, level of detail and general format of the financial information to be provided to it, especially in relation to budget monitoring reports and deadlines (see final section).
- Minutes are taken of all meetings of the school governing body and its committees and include all decisions and by whom action is to be taken.
- The school governing body maintains a register of Declarations of Interests of governors, the Headteacher/Head of School and any other staff who may influence decisions in any matter concerning the Academy. This is open to examination by governors, staff, parents and auditors. "Declarations of interest" must be a standing agenda item on all school governors and sub-committee meetings.

Financial Planning

To assist with preparing budgets and identifying efficiencies the ESFA has published a series of factsheets on gov.uk: <https://www.gov.uk/government/collections/schools-financial-health-and-efficiency>

4. The academy trust prepares rolling 3 year budgets.

The budget cycle

5. The budget cycle is as follows:

Autumn term (Sept - Dec)

- Implementation of current budget plan
- Monitoring expenditure (continuous-monthly)
- Reconciliation and closure of previous financial year

Spring term (Jan - Mar)

- Monitoring and Reviewing of year's budget
- Revised Budget where appropriate
- Pre-planning new financial year

Summer term (Apr - Aug)

- Planning for forthcoming year
- Preparation and submission of financial budget plan
- Review of current year's budget

All requirements of the ESFA, in particular relating to carry forward of unspent funds, will be taken into account in preparing and submitting the budget.

Budget

6. The Accounting Officer together with the Headteacher/Heads of Schools are responsible for preparing and obtaining approval for the annual budget. The budget must be approved by the Headteacher/Head of School, the local finance committee (if there is one), and the school governing body and is then passed to the MAT Board for final approval.

7. The annual budget will reflect the best estimate of the resources available to the academy for the forthcoming year and will detail how those resources are to be utilised. There should be a clear link between the development plan objectives and the budgeted utilisation of resources.

8. The budgetary planning process will incorporate the following elements:

- forecasts of the likely number of pupils to estimate the amount of General Annual Grant
- latest estimate of other ESFA funding e.g. pupil premium, Catch-Up or other specific funds
- review of other income sources available to the academy to assess likely level of receipts
- review of past performance against budgets to promote an understanding of the academy cost
- identification of potential efficiency savings
- review of the main expenditure headings in light of the development plan objectives and the expected variations in cost e.g. pay increases, inflation and other anticipated changes
- all carry forward balances
- any unspent grants from the previous financial year

- any funds held in Trust
- CLFP – Curriculum Led Financial Planning and needs.

9. Comparison of estimated income and expenditure will identify any potential surplus or shortfall in funding. 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 prioritising tasks and deferring projects until more funding is available. Plans and budgets will need to be revised until income and expenditure are in balance. If a potential surplus is identified, this may be held back as a contingency or alternatively allocated to areas of need in accordance with the Development Plan. The MAT Board has the final decisions on any Budget Plan.

10. If there is a significant (over 10%) departure from the anticipated budget this will be escalated to the School Governing Body and to the MAT Board as part of the monthly management accounts procedure.

11. The approved budget plan for each school is entered on an excel sheet and the budget is monitored on a monthly basis from the start of the new financial year by the school governing body and by the MAT Board.

Other Government Funding

12. In addition to GAG funding from ESFA the Trust may be awarded specific funding for other projects e.g. Condition Improvement Funds, Character Bid funding, Additional Special Educational Needs funding etc. This funding may be from the Department for Education or Local Authority. All government funding will be spent in accordance with the terms and conditions imposed, accurately recorded as government income (restricted) and audited externally annually.

13. The MAT Business Manager and Finance Assistants in the school are responsible for recording income and expenditure for each grant, providing a reconciliation within the monthly management accounts.

Other Grants and specific funding

14. In addition to the GAG funding from the ESFA and other government funding, the academies or the MAT may be awarded additional grants from time to time relating to specific projects e.g. Sport England Funding, Football Foundation Funding, Charitable Grants etc. All applications for additional external funding must be approved and supported by the Board of Directors/Trustees. All external funding and grants will be spent in accordance with the terms and conditions imposed, accurately recorded as income specific to a certain project and are audited externally annually.

15. The MAT Business Manager and Finance Assistants in the school are responsible for recording income and expenditure for each grant, providing a reconciliation within the monthly management accounts.

Funds held in Trust

16. Where funds are held in Trust the MAT Business Manager and Finance Assistants in the school are responsible for ensuring accurate recording of the income and expenditure, as well as ensuring the funds are recognised separately as set out in the memorandum and articles.

Virements

17. Substantial virements shall be approved and minuted by the school governing body and should be within the agreed criteria and financial limits. This should also be reported to the MAT Board.

18. The Headteacher/Heads of Schools are given delegated power to vire from one budget to another and shall seek approval from their finance committee or school governing body and retrospectively where the amount exceeds £5,000.

19. All virements exceeding £5,000 or 2% of the budget shall require prior approval from the school governing body and must be reported to the MAT Board.

Revised Budget

20. Monitoring and analysis of the agreed budget should be carried out on a monthly basis by the Accounting Officer and Headteacher/Heads of Schools and reports forwarded to the MAT Directors/Trustees. Where significant variations to the agreed budget are identified or where a number of substantial virements have been approved by the school governing body and or where significant staff changes have occurred in-year, then a Revised Budget should be prepared and approved by the MAT Directors. This Revised Budget should then form the basis of analysis of all income and expenditure until the financial year end.

Budget Forecast Return

As part of the funding agreement with ESFA, Academy Trust's must submit their Budget Forecast Returns (<https://www.gov.uk/government/publications/academies-budget-forecast-form>)

21. The approved budget must be submitted to ESFA by July each year by the Accounting Officer. The MAT Business Manager is responsible for establishing a timetable, which allows sufficient time for the approval process and ensures that the submission date is met, in conjunction with the appointed Accountants who complete it on the MATs behalf.

Monitoring and review (including management accounts)

22. Reports are prepared by the MAT Business Manager. The reports include:

- Monthly - actual income and expenditure against budget for each academy in the Trust, reporting on all codes from SAGE.
- Balance Sheet report and Trial Balance sent to Board of Directors.
- Cashflow Statement issued weekly to Board of Directors.
- Quarterly analysis of % spent and Staffing summary.

23. Any potential overspend against the budget must in the first instance be discussed with the Headteacher/Heads of Schools and the school governing body, then with the Accounting Officer and the MAT Board.

24. The academy monthly reports are sent to the Accounting Officer, the MAT SLT, the relevant Headteacher/Head of School, the MAT Directors, and the relevant chair of governors. The Cashflow Statements are sent to the Accounting Officer, the MAT SLT and the MAT Directors each week.

25. Independent checking procedures

The Multi-Academy Trust meets the requirements for delivering assurance based on the latest Academy Trust Handbook.

- Internal Audit – this is completed by the Finance Director as the Responsible Officer for the MAT or may be delegated to another director on the Finance, Audit and Personnel Committee. Regular audits are undertaken each term on behalf of the MAT Board with a report which is sent out to all parties: the Accounting Officer, the MAT SLT, the relevant Head of School, the MAT Directors, and the relevant chair of governors. The MAT Finance, Audit and Personnel Committee and school governing body will discuss the reports and follow recommendations if necessary.
- Supplementary program from the external auditors – external auditors appointed by the Board of Directors perform a thorough external audit in May and at the Year End in October. This forms part of the Year End Accounts and the Audit Report is submitted to the ESFA with the Annual Accounts Return. The MAT Board is ultimately responsible for signing the Audit Reports and completing any actions required and will involve the school governing bodies and MAT Finance, Audit and Personnel Committee in the process.
- The Trustees (the MAT Directors) are not employed by the Multi-Academy Trust and are therefore independent of the academies in the Trust.
- Peer review – processes are also monitored internally and the MAT Business Manager reviews procedures for each Academy and ensures MAT processes are being followed and completed in the same manner across the Trust.

Review of regularity

26. The Chief Executive Officer in their role as Accounting Officer must ensure the appropriate measures are in place for reviewing regularity and reviews the following documents termly to ensure the academy trust is working within the boundaries of regularity and propriety (and in accordance with the annual ESFA Academies Accounts Direction):

- reviews management accounts
- reviews compliance against the scheme of delegation
- reviews transactions for evidence of connected party transactions
- value for money practice

27. The Accounting Officer has delegated the following responsibilities to the MAT Business Manager:

- adherence to tendering policies
- review of transactions confirming in line with delegated authorities as set out by the Academy Trust Handbook
- review of trustees/governors' minutes.

Annual accounts

28. The academy trust must prepare annual audited financial statements for the accounting period to 31 August as explained in the Academies' Accounts Directions issued annually by the ESFA.

29. The accounts are prepared in house by the MAT Business Manager and Finance Assistants and then outsourced to accountants/auditors for preparation and presentation to the MAT Board.

30. The accounts are then submitted as follows:

- by 31 December – to ESFA
- by 31 December – published on our own school websites
- by 31 May – to Companies House

Value for money statement

Value for Money is reviewed by the MAT annually and forms part of the Annual Accounts. The requirements are in the annual ESFA Academies' Accounts Direction and the MAT has a separate Value for Money Statement which all academies within the Trust should adhere to.

31. As part of the annual accounts the trust must include 3 focused examples of value for money.

32. The MAT Business Manager is responsible for collating the examples which are then confirmed by the Accounting Officer and the MAT Board when approving the draft Accounts.

Audit arrangements

33. External auditors must be appointed in accordance with the Academy Trust Handbook.

34. The MAT Business Manager is responsible for managing the audit process, by liaising with the auditors, arranging the timetable for accounts and audit completion and ensuring deadlines are met. The Accounting Officer is responsible for final consultation with the external auditors and any compliance issues raised.

Work undertaken during accounting period

35. The MAT Business Manager and the finance assistants are responsible for the following tasks to be undertaken during the year to facilitate a smooth audit process:

- reviewing the structure of the trial balance
- maintaining a fixed asset register
- annual depreciation charges
- maintaining income and expenditure records (including filing of invoices)
- reviewing aged debtors for any provisions required
- maintaining a record of governors/trustees interests, related and connected party transactions
- control account reconciliations (bank, wages, debtors, creditors)
- maintaining a record of meeting attendance
- Monitoring & reporting to the Accounting Officer and Board of governors/trustees

Work undertaken for the year end

36. The finance assistants in schools are responsible for the following tasks to be undertaken at the end of the year to facilitate a smooth audit process:

- stock take and including of year end stock value
- prepayments list for IT licenses and other annual costs
- prepayments or accruals for grant income
- control account reconciliations (bank, wages, debtors, creditors)
- close down of the purchase ledgers
- close down of the Sales ledgers and aged debtors
- Outstanding items lists for accruals and creditors, debtors, etc.
- Prepayments made on finance systems, eg Parentpay, Magicbookings.
- Up to date Inventory list.

The MAT Business Manager is responsible for the following tasks:

- Management of Year End processes above with deadlines set
- Rollover of the Year End on Sage Accounts on the first Friday of term in September
- Financial Dates list for Year End for Trustees
- Update to Asset Register from schools' inventories.
- Pension valuations
- Pension Audit.

Accounts Return

37. The academy trust must prepare an Annual Accounts Return (AAR) for the accounting period to 31 August, which must be submitted online to the ESFA by 31 January.

38. The accounts return is outsourced to our auditors for preparation and completion online and then needs checking and authorising by the Accounting Officer before the deadline.

Document retention

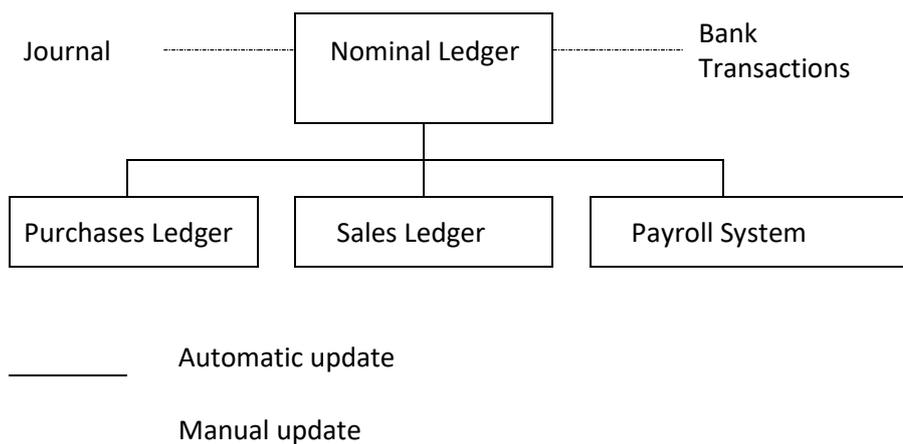
39. Documents are retained for the following amount of time:

- Finance records – current year plus preceding 6 years
- Supply cover insurance – current year plus preceding 6 years
- Payroll and travel records – current year plus preceding 6 years
- Personnel records – 7 years after an employee has left (or recommended indefinitely)
- All student files are passed on to the next school/academy.

Accounting system

40. All the financial transactions of the academy trust must be recorded into SAGE, the computerised financial information accounting system. This system is operated by the MAT Finance Team and all academies within the Trust have online access.

SAGE consists of:



System Access

41. Access to the SAGE system is password restricted with limited online users and is controlled by the MAT Business Manager. Users are limited to: the MAT Finance Team, one or two finance assistants in each academy, together with each Headteacher/Head of School and the Chief Executive Officer who are authorisers for workflow. The Accountants have been issued with a User Login for reporting purposes for audit and end of year processes.

42. When a User is set up on SAGE they will receive a setup email to log in and enter their own private password. All Users are advised their password must never be shared or revealed to anyone else.

Back-up Procedures

43. The MAT Business Manager is responsible for ensuring that there are effective back up procedures for the system. SAGE Data is backed up online on at least a daily basis and conforms to data protection standards and manual backups can be implemented if required. Other Financial Data (eg excel sheets) and other financial documents are now held securely online on the Trust secure area of GoogleDrive; this can be accessed by a limited number of staff from home if necessary, as well as in school. Each academy in the Trust should ensure that their financial documents are backed up in line with their own backup policies.

44. A hard copy of the nominal ledger and audit trail are printed each month and stored separately from the accounting system, online on the Trust secure area of Googledrive.

45. The disaster recovery plan explains what to do in the event of loss of accounting facilities or financial data but as SAGE is online the accounts information will be secure.

Transaction processing

46. All transactions input to the accounting system must be authorised in accordance with the procedures specified in this manual.

47. All journal entries are documented on the journal form, paperwork filed in the Journal Folder (for each year) and authorised by the Accounting Officer, Headteacher/Head of School or MAT Business Manager, prior to being input to the accounting system.

48. Bank transactions are input by the finance assistants of the MAT/academies and are reviewed by the MAT Business Manager and Finance Officer.

Transaction reports

49. The MAT Business Manager reviews the following system reports to ensure that only regular transactions are posted to the accounting system:

- audit trail reports;
- amendment reports for the payroll, purchase ledger and sales ledger;
- management accounts summarising expenditure and income against budget at academy level

Reconciliations

50. The MAT Business Manager is responsible for ensuring the following reconciliations are performed each month, and that any reconciling or balancing amounts are cleared:

- sales ledger control account
- purchase ledger control account
- payroll control account
- VAT control account
- all suspense accounts
- bank balance per the nominal ledger to the bank statement

51. The MAT Business Manager signs all reconciliations by the team as evidence of review.

52. Any unusual or long outstanding reconciling items are brought to the attention of the relevant Headteacher/Head of School and/or the Accounting Officer and dealt with according to the bad debt limits in this manual.

Cash Management

Bank Accounts

53. The following procedures must be followed when opening a bank account and operating it:

- Academies within the Trust should not be operating any separate bank accounts
- the Trust is responsible for selecting the banking institution and negotiating the terms and conditions
- the MAT Board must authorise the opening of all bank accounts
- the MAT Board will ensure that in the event of changes to key personnel or trustees, signatories will be changed immediately and the bank notified. Any on-line access to banking will also be removed.
- terms of arrangements, including cheque signatories or BACS authorisations and the operation of the accounts must be formally recorded and agreement minuted
- the Trust must inform the bank, in writing, that their accounts must not become overdrawn
- the Trust must ensure there are sufficient funds to cover large payments

Deposits

54. A deposit must be entered on a copy paying-in slip or listed in a supporting book with the following details:

- the amount of the deposit
- a reference (for example the number of the receipt or the name of the debtor)

55. The finance assistants in each academy are responsible for updating the SAGE accounting system (within one working day) for deposits placed.

Payments and withdrawals

56. All cheques and other instruments authorising withdrawal from academy bank accounts must bear the signatures of two of the following bank authorised signatories:

- Executive Head or Headteacher, Kings Road, plus one other from:
- Head of School Burford Road, MAT Business Manager, Director of Inclusion for MAT.

57. This provision applies to all accounts operated by or on behalf of the Multi-Academy Trust including funds held in trust.

58. The MAT finance assistants are responsible for updating the SAGE accounting system (within one working day) for any payments made.

Administration

59. The MAT Business Manager ensures bank statements are received regularly and that reconciliations are performed at least on a monthly basis (currently weekly). Reconciliation procedures must ensure:

- all bank accounts are reconciled to the academy's cash book (on Sage)
- reconciliations are prepared by the Finance Department
- reconciliations are subject to an independent review carried out by MAT Business Manager or in his/her absence the Accounting Officer.
- adjustments arising are dealt with promptly.

Petty Cash

60. The academy trust does not maintain Petty Cash floats for purchase of minor items. This is part of becoming a 'cashless school'. Staff can ask permission to purchase minor items from their Headteacher/Head of School and then reclaim the cost by completing a green PR1 form. The member of staff will need to provide their bank information and the claim is then processed to reimburse directly to their bank account via BACS. In the interests of security, PR1 reimbursement claims are limited to £100 except in exceptional circumstances. Payments are made on production of a valid VAT till receipt or invoice, or other proof of payment and are subject to the same authorisation procedures as purchase orders on SAGE.

Private School Fund

61. An academy may have a separate private school fund account but it must be run completely separately to the academy and not connected to the school governing body in any way. Any private fund account must be maintained in accordance with the standards for public money and accounts and must be separately audited annually. A cash float may be held for this fund eg to provide change for school events. It must not

be used for cashing personal cheques or paying staff loans.

E-procurement & Payments

62. The Multi-Academy Trust has five charge cards which are issued to authorised personnel. Charge cards should only be used when it is not practical to use the purchase order/cheque system. They are used mostly for internet purchases and to buy refreshments for meeting etc.

63. The cards are kept securely and are the responsibility of the following people:

- David Coaché, Executive Head
- Hayley Potter, Headteacher, Kings Road
- Kirsty Shaw, Head of School, Burford Road
- Kevin Riley, Head of School, Bretforton
- Christine Booth, MAT Business Manager

64. Any member of staff wishing to make a purchase using a charge card must complete a blue order form and pass this to the finance assistant to arrange the purchase. All order forms detailing the purchase must be authorised by the Headteacher/Head of School.

65. Charge cards are mostly used to purchase small items eg online, where it is not possible to order elsewhere. A gold Charge Card Claim form must be completed by the cardholder each time their card is used and a VAT invoice or receipt attached. The form is then authorised by the Headteacher/Head of School and passed to the MAT Finance team to log on an excel sheet to balance with the statement.

66. When the charge card bill arrives there will be a signed form relating to each entry on the statement. A VAT invoice is required for all purchases and it is sometimes necessary to chase suppliers for this. A cash book journal is keyed for each entry on the statement. The forms and receipts are filed in the Charge Card Folder.

67. The charge card bill is then reconciled with the bank statement reconciliation on SAGE by the MAT Finance Team who will check the statement and monitor transactions. These are filed away together in the charge card folder until the end of the financial year, and will then be kept with the finance storage for 6 further years.

BACS Payments

68. Invoices are entered on SAGE with a purchase order, followed by goods receipt, then invoice payment made via BACS whenever possible. Single payments to one-off suppliers are sometimes made by cheque to save time and effort of setting up a new supplier on SAGE. An official purchase order (blue) is raised and signed by the Accounting Officer or Headteacher/Head of School or the invoice is signed to authorise payment. Payment is only made via BACS when:

- an official purchase order has been raised for the purchase
- the delivery note has been checked
- the delivery is of correct quantity, quality and price
- it has not been previously paid
- funds are available in the relevant budget
- VAT chargeability on qualifying expenditure is shown.

69. Once the Purchase Order has been keyed and authorised on SAGE, the goods receipt and the invoice are then processed in due course. The vendor's bank and sort code details are stored on SAGE and the finance assistant should check any information on the invoice to ensure payment to the correct account. Normally, BACS payments are made within the 30 day settlement period (and often sooner), although every effort is made to ensure the school benefits from early payment discounts.

70. Where an individual has been assessed as self-employed, the Finance Team should request that the individual states his self-employment reference number on any invoice issued to the school.

IR35 Regulations and Self Employed/on Payroll

71. Before entering into any agreement with a person who may be self-employed, it is essential to investigate IR35 regulations and whether that person should be put onto payroll. From April 2021 it is the Trust's responsibility to check employment status and determine whether a person is classed as self-employed or comes under the IR35 regulations and must be paid with deductions for tax and national insurance. Therefore, the Headteacher/Head of School must be aware of self-employment HMRC rules and ensure that relevant checks are completed for anyone new starting at their school. They should refer any self-employment to the MAT Finance Team unless the person can provide a self-employment tax reference number.

Investments

72. Any Investments by the Multi-Academy Trust will be made in accordance with written procedures which would be approved by the MAT Board but at present there is nothing to invest. The bank account has interest paid on any credit balances and currently there are unlikely to be any other investments.

73. Any future investments will be recorded in sufficient detail to identify the investment and to enable the current market value to be calculated. The information required will normally be the date of purchase, the cost and a description of the investment. Additional procedures may be required to ensure any income receivable from the investment is received.

Reserves

74. Any overall surpluses or deficits (reserves) at the end of the year are carried over to the following year. The Reserves are reported in the Annual Accounts.

The Trustees, in conjunction with the school governing bodies, review the resources of the academies and Trust and recognise the need to have sufficient reserves to protect against possible reductions in the funding. Any reserves will be held in line with the ESFA guidelines. The policy will aim to carry forward sufficient funds to meet the Academy's long term aims and objectives, ensuring that this does not affect its current operational activities. Some of the Carry Forward includes Restricted Funds like the UIFSM Grant for the following financial year. The majority of the school allocations are GAG and if government funding is restricted again in the future, Directors are aware that measures will have to be taken which will reduce quality of education and negatively affect standards. With the current economic climate of high inflation, it is hoped that the GAG allocations will increase accordingly as costs continue to rise. The Trustees have looked at a Leadership Restructure if funding does not improve to ensure the strategic future of the Trust.

(ESFA - A school or Academy with excess surplus balances can be challenged. Using ESFA guidelines a school's uncommitted surplus balance should be no more than 8% for Nursery and Primary schools of in-year funding. Permitted balances include prior year commitments; unspent grants and funds for other specific purposes (e.g. building works). Schools will be able to build up reserves towards particular projects but cannot defer implementation indefinitely).

All Reserves belong to the Multi Academy Trust and funding will be allocated to academies within the Trust for the future depending on levels of funding allocated, and areas of need and the School Development Plans. The MAT Executive Leadership will discuss and review funding and ESFA GAG Allocations regularly and when budget planning in the spring term.

The Reserves currently sit at around 2.5% of the ESFA GAG (General Academy Grant – unrestricted funds). From 2023, Trustees have directed that reserves should be built up to sit at between 5-8% of the ESFA GAG before allocating to large individual academy projects. This is subject to annual review.

75. The Chief Executive Officer as Accounting Officer must inform ESFA immediately if a deficit is anticipated.

76. If the academy trust is anticipating a deficit at the end of any financial year, the MAT Board and the Accounting Officer have a responsibility to ensure action is taken at the earliest opportunity to address this issue. The MAT Board must ensure that a recovery plan is submitted and approved by the ESFA. All academies in the Trust are expected to produce their Budget Plan before the deadlines and then to keep to it through the financial year. Any expected deficit or issue must be discussed by the school governing body and the Headteacher/Head of School and reported to the Chief Executive Officer and the MAT Board at the earliest opportunity so steps can be taken to mitigate. The Multi-Academy Trust has overall responsibility for funding for each academy within the trust and in a deficit situation will have the final decisions on any actions to be taken.

Capital Reserves

77. Any overall surpluses at the end of the year are carried over to the following year. There is very little Devolved Capital Grant allocated now and it is being phased out but there may be S106 Funding from the LA or CIF bids.

78. It is the responsibility of MAT Business Manager to keep accurate records of the capital funds, especially where grants have been received for capital projects.

Endowments

79. The academy trust does not have any Endowments.

Payroll

Staff Appointments

80. The MAT Board has approved a Staffing Structure for the Academy Trust. Changes can only be made to this Structure with the express approval in the first instance of the Chief Executive Officer and the MAT Board, who must ensure that adequate budgetary provision exists for any establishment changes.

81. The Headteacher/Head of Schools have the authority to appoint replacement support staff within their academy in conjunction with the Chief Executive Officer.

Appointment of all Teachers and all Leadership positions will be the responsibility of the MAT Board and the Chief Executive Officer will act on their behalf and report back. The interview panel must include the Chief Executive Officer, at least one Director (Trustee) of the Trust, the relevant Headteacher/Head of School, possibly other Heads of Schools, and may include any other executive leadership or senior leaders if relevant.

Leadership appointments must follow consultation with the MAT Board/Trustees to approve the final recommendation.

The MAT Business Manager, with the HR Assistant, maintains personnel files for all members of staff which include contracts of employment. All personnel changes must be notified, in writing, to the MAT Business Manager immediately.

82. The HR Assistant is responsible for obtaining the relevant DBS checks and ensuring these are retained on file and entered on the Single Central Record. Each academy in the Trust must maintain their own Single Central Record and ensure it is kept up to date.

Payroll Administration

83. Payroll is administered through the Multi Academy Trust's payroll provider, currently Liberata.

84. All staff are paid monthly direct to their bank accounts through the payroll provider. A master file is created for each employee which records:

- salary
- bank account details
- taxation status
- personal details
- any deductions or allowances payable
- other legal and relevant details

85. New staff are notified to the payroll provider with the necessary above information to set them up on payroll. Notifications to Payroll can only be made by the registered persons, which are currently the Chief Executive Officer, the MAT Business Manager and the HR Assistant. A copy of any notification for payroll amendments is held electronically and printed out and kept in the Staff File. A list of Staffing Changes is kept by the Trust each financial year and monitored to ensure copies of new contracts are received, saved and filed. The Trust has a Starters and Leavers checklist for each academy in the Trust.

86. Sickness and absence is monitored and recorded by each academy on an Absence Record. It is then entered on the MSS iTrent HR system by the school's Admin Team and on the data system (eg Scholarpack). Staff should complete a Return to Work form which is signed by their line manager and kept in their Staff File. Absences above 5 working days should have a Doctors 'Fit to Work' Note. Absences are monitored and Unpaid Leave is checked against the monthly Payroll. Long term absence or repeated absences should be monitored, with regular review by the Headteacher/Head of School or Chief Executive Officer.

87. Timesheets for additional hours, upscaling, temporary work or overtime undertaken are completed by the employee as soon as possible after the month end. In turn this is authorised by the line manager, then authorised by the Headteacher/Head of School or Chief Executive Officer. Each school's Admin Team will

enter their timesheets on the MSS HR system and send a copy to the Trust Office. All additional hours, upscaling, temporary work or overtime is reconciled back to the monthly Payroll.

88. Travel Claims and Subsistence/Accommodation – An employee may claim mileage and certain other expenses when attending another venue on school business or for school CPD and training. Mileage is paid at a rate per mile agreed annually in line with the HR policy and HMRC regulations. The mileage claimed must have the normal daily journey deducted. An employee may travel by train and claim the rail fares for a second class journey or for a short taxi fare if there was no other alternative. Car Parking costs may be reclaimed. If an overnight stay is essential then the costs of hotel accommodation (best value) with Breakfast, and an allowance of £10.00 per evening meal is claimable. Trustees are responsible for setting the evening meal allowance. Overnight stays are normally for senior staff only and the Headteacher/Head of School must agree this in advance before any bookings are made.

The employee will pay for their own travel and accommodation and this will then be reimbursed via their Payroll for tax reasons. The employee must complete a Travel Claim Form after the event and attach all invoices, receipts or tickets. This is then checked and authorised by the Headteacher/Head of School or Chief Executive Officer. Each school's Admin Team will enter their travel claims on the MSS HR system, with a copy to the Trust Office. All travel claims are reconciled back to the monthly Payroll and copies kept for the SECR report annually (carbon emissions). Travel Claims are externally audited at Year End.

89. Payment of salary is made into staff bank accounts via BACS on the 28th of each month. Staff are advised to complete timesheets as soon as possible at the month end and submit them for keying before 7th monthly. If pay dates change eg at Christmas, all staff are notified in advance.

Payments

90. A printout of all Payroll data is obtained, including an exceptions report from the payroll provider and this is checked against source documentation by the MAT Business Manager and then reviewed and initialled by the Chief Executive Officer. Authority to release payment is already given to Liberata but any payment can be withdrawn if necessary before the final BACS processing date.

91. All salary payments are made by BACS.

92. The MAT Business Manager prepares a reconciliation between the current month's and the previous month's gross salary payments showing adjustments made for new appointments, resignations, pay increases etc.

93. The payroll system automatically calculates the deductions due from payroll to comply with current legislation. The major deductions are for tax, National Insurance contributions and pensions. The amounts payable are summarised on the gross to net pay print and BACS payments for these amounts are prepared by the payroll provider by the due date and paid by DD via BACS from the MAT bank account.

94. The MAT Business Manager selects at least three employees at random each month and checks the calculation of gross to net pay to ensure that the payroll system is operating correctly. Pension checks are made and available for checking.

95. After the payroll has been processed, the MAT Business Manager will complete a large Payroll Journal and code all salaries to the correct codings for all academies within the Multi-Academy Trust. The academies

can be given a Staffing Report to check their payroll entries but the Business Manager will complete the payroll debits on their behalf from the main Payroll Template Report.

96. Postings will be made both to the three payroll control accounts and to individual cost centres. The MAT Business Manager should review the three payroll control accounts each month to ensure the correct amounts have been posted from the payroll system, individual cost centres have been correctly updated, the three monthly Payroll DDs are correct, and to identify any amounts posted to the suspense account.

97. Annually, the MAT Business Manager, in conjunction with the external auditors, checks 30 members of staff that the gross pay per the payroll system agrees to the contract of employment held on the personnel file in the MAT Business Manager's office.

Salary advances

98. The trust does not award salary advances except in very exceptional circumstances, eg where there has been an unexpected error causing financial difficulty for a member of staff.

Overtime

99. Overtime is recorded by the individual on a timesheet and submitted as soon as possible at the end of month for keying by 7th of each month. It is checked by the line manager and then authorised by the Headteacher/Head of School or Chief Executive Officer. The school Admin Team enters the claim form on the MSS iTrent HR system and files the timesheet in the Overtime Folder, and sends a copy to the Trust Office.

100. Claim forms must not be submitted prior to work having been undertaken.

101. No payments for work undertaken will be made other than via the payroll system.

Severance payments

Severance payments must be made in line with the Academy Trust Handbook.

102. The Academy Trust is able to self-approve the non-contractual element of severance payments up to £50,000. A business case must be presented before agreeing a payment, using the form provided by ESFA on gov.uk.

103. Where the non-contractual element is on or over £50,000 prior approval from ESFA must be sought.

104. The Accounting Officer must sign off and review each business case.

Ex-gratia payments

Ex-gratia payments must be made in line with the Academy Trust Handbook.

105. Any ex-gratia payments must be submitted to ESFA for prior approval.

Income

The Academies' Accounts Direction explains revenue recognition for ESFA and other grants.

ESFA grants

106. The main sources of income for the academy are the grants from the ESFA. The receipt of these ESFA grants is monitored directly by the MAT Business Manager who is responsible for ensuring that all ESFA grants due to the academies are received.

Other grants

107. The receipt of Other Grants is monitored by the MAT Business Manager and the academy finance assistants. The academy finance assistants are responsible for ensuring that all Other Grants due to their academy are collected.

Trips

108. A lead member of staff must be appointed for each trip. ParentPay is normally used to collect all payments due and for parental permission to be given. The office administrator in each academy is responsible for ensuring that ParentPay is updated with the details of the trip and the payments due are notified to all the relevant pupils' parents/carers.

109. If a school does not use ParentPay then a full list of all pupils for a trip must be kept in excel and all payments made must be accurately recorded. The payments made must reconcile to the banking sheets completed and show when the payments were banked. It is expected that ParentPay will be implemented by academies within the Trust as soon as possible for future trips.

110. The office administrator will maintain an up to date record for each student showing the amount paid and the amount outstanding. This record should be sent to the lead teacher on a weekly basis and the lead teacher is responsible for monitoring the outstanding amounts in case the trip is not viable. The office staff must check ParentPay well before each trip and ensure that payments and permissions are given; there is a procedure to follow for late or non-payment. A child may be unable to take part in the visit if permission is not given for them to go on the trip.

111. Trips should be run at cost price, although allowance can be made for administrative fees and additional staff cover. Admin fees have been set at 20p per pupil from September 2022 onwards and must be applied to all trips and events. Any surplus greater than £10 per pupil is redistributed to parents. If the school decides to subsidise the school trip the amount of subsidy must be approved by the Chief Executive Officer in advance of the booking being made.

Catering

Cash payments

112. Cash payments must be reconciled on a daily basis by the office administrator at each academy, to the lunch records and signed as evidence of reconciliation. The school meal numbers and cash totals are then to be entered onto the weekly banking sheet. The cash is kept in the safe prior to weekly collection for banking. The office administrator must reconcile the weekly banking sheet to actual receipts banked. The Trust is cashless now and it is expected that ParentPay will be implemented as soon as possible for any academy still taking cash.

Electronic cash collection

113. ParentPay is normally used for booking and payment of hot meals. All parents are notified and may book online for whichever days they require a meal for their child. ParentPay sends weekly bank transfers which are checked and then coded to SAGE catering codes by the academy finance assistants.

114. The weekly bank credits are reconciled to ParentPay reports in the first instance. Monthly checks are undertaken by the MAT Finance Team and cross referenced to a sample of individual pupils. Catering and ParentPay income is tested as part of the half-yearly external audit.

Lettings

115. The MAT Finance Team is responsible for maintaining records of bookings for hall hires and for identifying the sums due from each organisation. A hirer must complete a LA1 Lettings Form from the academy and the form and payment must be completed in advance for the use of facilities. Regular bookings are billed mid-month for the whole month.

116. Details of organisations using the hall facilities will be held by the Trust Finance Team who will produce sales invoices if required and monitor payment.

117. Copies of the hirer's up to date relevant Public Liability, indemnity, insurance and qualifications where relevant (e.g. H&S, First Aid, Instructor, DBS checks, etc) are kept with the LA1 Letting Agreements and must be reviewed at least annually for ongoing bookings.

Sundry income

118. Income from other sources (for example outsourcing of educational consultancy or leadership support) is priced in consultation with the Chief Executive Officer. The transaction must not be undertaken until the price has been agreed and the customer has been assessed for ability to pay in accordance with the agreed Consultant's Policy. The Chief Executive Officer must approve all Service Level Agreements for outsourced support by the Trust. The ESFA states that outsourcing to other trusts and schools should be at cost.

Gift aid

An academy trust is able to claim gift aid (<https://www.gov.uk/claim-gift-aid/overview>) on donations from individuals.

119. To ensure the Academy Trust, in its position as an exempt charity receives all the monies it is entitled to, the MAT Business Manager:

- reconciles income against records to confirm expected amounts have been received by the donor
- ensures the tax reclaimable from HMRC has been obtained and any relevant business use deductions have been made.

Bad debts

Write offs need to be in line with the delegated authorities set out in the Academy Trust Handbook.

120. The Academy Trust chases all monies due, and those that have not been paid within 30 days of an invoice being issued, by telephone, email or letter. There is rarely a bad debt.

121. If the debt remains unrecoverable after 6 months, or it becomes clear that the debt will not be repaid,

the MAT Business Manager submits a report to the Accounting Officer for approval of write off.

122. The following write off limits apply:

- Up to £150 – Accounting officer
- £151 to £500 – School governing body with Accounting Officer and report to MAT Board
- Over £500 – Full MAT Board and refer to debt collecting agency

Purchasing

123. The academy trust must achieve value for money on all purchases. A large proportion of our purchases are 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 academy
- Accountability, the academy is publicly accountable for its expenditure and the conduct of its affairs
- Fairness, that all those dealt with by the academy are dealt with on a fair and equitable basis

Routine Purchasing

124. Budget holders will be informed of the budget available to them at least one month before the start of the academic year. It is the responsibility of the budget holder to manage the budget and to ensure that the funds available are not overspent. Data detailing actual expenditure and committed expenditure (orders placed but not paid for) against budget will be supplied to each budget holder each month. Budget holders will be able to monitor data relating to their own budget areas on a monthly basis via reports from the online financial information system.

125. All purchases must be agreed with the Headteacher/Head of School or the Chief Executive Officer beforehand. In the first instance a supplier should be chosen from the list of approved suppliers maintained by the Finance Team. A quote or price must always be obtained before any order is placed. If the budget holder considers that better value for money can be obtained by ordering from a supplier not on the approved supplier list the reasons for this decision must be discussed and agreed with the Finance Team. Copies of all quotes must be attached to the order form.

E-procurement

126. Any staff wishing to make a purchase on charge card must complete a Blue Order Form in the normal way and pass this to the finance assistant to arrange the purchase. The order is authorised by the Headteacher/Head of School and the goods are then ordered by a charge card holder. A gold Charge Card Claim form is completed by the cardholder and countersigned by the Headteacher or Chief Executive Officer to confirm authorisation.

127. Charge Cards are only issued to certain senior leadership and may be used by the cardholder to purchase small items where it is not possible to order this elsewhere. Charge Cards have a limit of £1,000, but 'small purchases' are deemed to be purchases below £200. A gold Charge Card Claim form must be completed by the cardholder and countersigned by the Headteacher or Chief Executive Officer to confirm authorisation. For any purchase above £200 pre-authorisation is required. An Order Form must be completed and

authorised before the Charge Card is used and then attached to the gold Charge Card Claim, which is countersigned in the usual way.

Orders

128. All orders must be made using an official Blue Order Form, stocks of which are held by the school offices. Orders must bear the signature of the budget holder if applicable and must be signed and authorised by the Headteacher/Head of School or Chief Executive Officer, and passed back to the school office.

129. Approved orders will be recorded in the purchase order module of SAGE which allocates a reference number and commits expenditure. Orders will be dispatched to the supplier from the school office as soon as possible, usually by telephone or email, and arrangements made for the delivery of the goods to the academy.

130. On receipt the office administrator must undertake a detailed check of the goods received against the goods received note (GRN) and make a record of any discrepancies between the goods delivered and the GRN. Discrepancies should be discussed with the supplier of the goods without delay. Goods receipts must be signed and dated to confirm that all items have been correctly received. They must be passed to the school Finance Assistant as soon as possible and entered on SAGE **within one day** of receipt.

131. If any goods are rejected or returned to the supplier because they are not as ordered or are of sub-standard quality, the academy Finance Assistant should be notified. The finance assistant will keep a central record of all goods returned to suppliers and arrange to key on SAGE any Returns or Credit Notes.

132. All invoices should be sent to the academy Finance Assistant. Invoices received will be recorded by the Finance Assistant on SAGE and the following checks will be made:

- invoice arithmetically correct
- goods/ services received
- goods/services as ordered
- prices correct
- invoice authorised for payment
- payment authorised
- VAT treated correctly
- invoice posted to purchase ledger
- payment made.

133. The person who made the order must make a detailed check and advise the Finance Assistant without delay if there are any issues with the goods received.

134. At the end of each week the MAT Finance Team will produce a list of outstanding invoices from the purchase ledger and this will be reviewed in conjunction with the weekly Cashflow Statement.

135. The MAT Finance Team will input details of any other payments to be made to the SAGE purchase ledger, eg DDs. A weekly BACS run will be generated to pay all invoices due. Regular suppliers are on SAGE and paid electronically but sometimes one-off suppliers will be paid manually by cheque which must be authorised by two of the nominated cheque signatories.

136. BACS payments are input by the Finance Officer and MAT Business Manager and authorised on-line by two signatories in accordance with the banking policy and procedures (two from: Executive Head, Headteacher, MAT Business Manager, and Finance Officer, to log in to online banking and upload and approve the BACS Payment Run).

137. Competitive quotations/estimates for all larger purchases must be obtained wherever possible.

Orders over £1,000 but less than £5,000

For orders between £1,000 and £5,000 an appropriate number of quotations should be obtained. Quotations may be sought verbally but must be confirmed by suppliers in writing. Catalogue prices may be used. Evidence should be attached.

Orders over £5,000 but less than £20,000

At least three written quotations must be obtained for all orders between £5,000 and £20,000, to identify the best source of the goods/services. Written details of quotations obtained should be prepared and given to the MAT Finance Team to retain for audit purposes. Telephone quotes are acceptable if these are evidenced and written confirmation of quotes has been received before a purchase decision is made. Decisions should be made in accordance with value for money principles.

Orders over £20,000 – £50,000

All goods/services ordered with a value over £20,000, or for a series of contracts which in total exceed £20,000 must be subject to formal tendering procedures. At least 4 formal tenders or written quotations must be obtained based on written specifications and retained.*

Orders £50,000 – FTS Threshold

Minimum of 4 formal tenders to be invited and retained.*

* Unsuccessful tenders/quotes are retained for a minimum of one year following completion of the contract. Successful tenders/quotes and supporting documentation showing the decision-making process are retained for six years following completion of the contract.

FTS – New ‘Find a Tender Service’ FTS (has replaced OJEU)

Purchases more than the FTS threshold, **£213,477 inc VAT** in 2023, are to be dealt with strictly in accordance with the current FTS Procurement Code. Outside advice is always to be obtained for large procurements, managed by the Trust Board and the Chief Executive Officer.

Trading with related parties

138. The ESFA says, ‘Academy Trusts must be even-handed in their relationships with related parties’.

All academies within Bengeworth Multi-Academy Trust must abide by the latest Academy Trust Handbook at all times, and follow the procedures for related parties.

An academy within the Trust must notify immediately the Headteacher/Head of School, the Chief Executive Officer, and MAT Business Manager if there are any related parties:

- Trustees must comply with their statutory duties as company directors to avoid conflicts of interest, not to accept benefits from third parties, and to declare interest in proposed transactions or arrangements
- All members, trustees, local governors of academies within a MAT, and senior employees must complete a Declaration of Interests form annually and these are held in a Register of Interests, in accordance with the Academy Trust Handbook guidance.
- No member, trustee, local governor, employee or related individual or organisation can use their connection to the trust for personal gain, including payment under terms that are preferential to those that would be offered to an individual or organisation with no connection to the Trust
- No payments are made to any trustee by the Trust unless permitted by the articles, or by authority from the Charity Commission, and comply with any relevant agreement with the Secretary of State. The Trust will consider these obligations where payments are made to other business entities who employ the trustee, are owned by the trustee, or in which the trustee holds a controlling interest
- The trust is aware of the Charity Commission's guidance for trustees CC11: Trustee expenses and payments.

The board of trustees **must** ensure requirements for managing related party transactions are applied across the Trust. The Chair of the Board and the Accounting Officer **must** ensure their capacity to control and influence does not conflict with these requirements. They **must** manage personal relationships with related parties to avoid both real and perceived conflicts of interest, promoting integrity and openness in accordance with the seven principles of public life.

The academies within the Trust **must** recognise that some relationships with related parties may attract greater public scrutiny, such as:

- transactions with individuals in a position of control and influence, including the Chair of the Board and the Accounting Officer
- payments to organisations with a profit motive, as opposed to those in the public or voluntary sectors
- relationships with external auditors beyond their duty to deliver a statutory audit.

The trust **must** keep sufficient records, and make sufficient disclosures in their annual accounts, to show that transactions with these parties, and all other related parties, have been conducted in accordance with the high standards of accountability and transparency required within the public sector.

Therefore all academies within the Trust must ensure they report any related parties to the Chief Executive Officer and the MAT Business Manager before any transactions take place. The Trust will report in to the ESFA in accordance with the Academy Trust Handbook guidance using the new ESFA online form.

ESFA must give *prior* approval now for all transactions with related parties, including any that are novel, contentious and/or repercussive, if a contract or series of contracts amounts to £40,000 or more in any financial year.

Transactions with related parties do not include salaries and other payments made by the Trust to a person under a contract of employment through the Trust's payroll. However, the same principles of value for money will apply and employees must be paid in accordance with other similar roles.

The 'At Cost' requirement applies to contracts for goods and services from a related party exceeding £2,500. A Trust must pay no more than the 'At Cost' amount for goods or services above this figure provided by a related party. This must be evidenced and a Statement of Assurance must be obtained from the related party (or it is a notifiable breach).

Bengeworth Multi-Academy Trust is aware of the Related Party guidelines and will disclose any relevant information in the Year End Accounts and Audit and will complete the ESFA online form if required.

Register of Interests

139. The academy trust's Register of Interests **must** capture relevant business and pecuniary interests of members, trustees, local governors of academies within a MAT and senior employees, including:

Directorships, partnerships and employments with businesses

Trusteeships and governorships at other educational institutions and charities

For each interest: the name of the business; the nature of the business; the nature of the interest; and the date the interest began.

The Register **must** identify any relevant material interests from close family relationships between the academy trust's members, trustees or local governors. It **must** also identify relevant material interests arising from close family relationships between those individuals and employees.

Declarations of Interests **must** be an agenda item at every school governing body and committee meeting of all academies within the Trust, and at all MAT Board and Members Meetings.

All academies within the Trust **must** publish on their websites relevant business and pecuniary interests of members, trustees, local governors and accounting officers.

Trading with connected parties

140. Trading with connected parties must be in line with the Academy Trust Handbook. A body is connected to another individual or organisation if it is controlled by the individual or organisation, or is under common control. Connected parties include other academies within the Trust and sponsors recognised by the Secretary of State. An academy must pay no more than 'At Cost' for goods or services provided.

Goods and services for private use

141. No goods are ordered or services provided to include any elements of private use by governors and staff.

Forms of Tenders

142. There are three forms of tender procedure: open, restricted and negotiated and the circumstances in which each procedure should be used are described below.

Open Tender: This is where all potential suppliers are invited to tender. The Head of School must discuss and agree with the Executive Head and MAT Business Manager how best to advertise for suppliers e.g. general press, trade journals or to identify all potential suppliers and contact directly if practical. This is the preferred method of tendering, as it is most conducive to competition and the propriety of public funds.

Restricted Tender: This is where suppliers are specifically invited to tender. Restricted tenders are appropriate where:

- there is a need to maintain a balance between the contract value and administrative costs,
- a large number of suppliers would come forward or because the nature of the goods are such that only specific suppliers can be expected to supply the academy's requirements,
- the costs of publicity and advertising are likely to outweigh the potential benefits of open tendering.

Negotiated Tender: The terms of the contract may be negotiated with one or more chosen suppliers. This is appropriate in specific circumstances:

- the above methods have resulted in either no or unacceptable tenders,
- only one or very few suppliers are available,
- extreme urgency exists,
- additional deliveries by the existing supplier are justified.

Preparation for Tender

143. Full consideration should be given to:

- objective of project
- overall requirements
- technical skills required
- after sales service requirements
- form of contract.

144. It may be useful after all requirements have been established to rank requirements (e.g. mandatory, desirable and additional) and award marks to suppliers on fulfilment of these requirements to help reach an overall decision.

145. A tender brief must always be prepared and is reviewed by the Chief Executive Officer.

Invitation to Tender

146. If a restricted tender is to be used then an invitation to tender must be issued. If an open tender is used an invitation to tender may be issued in response to an initial enquiry.

147. An invitation to tender should include the following:

- introduction/background to the project
- scope and objectives of the project
- technical requirements
- implementation of the project
- terms and conditions of tender
- form of response
- dates for decision and work to be delivered

Tender Acceptance Procedures

148. The invitation to tender should state the date and time by which the completed tender document is received by the Academy Trust. Tenders are submitted in plain envelopes clearly marked to indicate they contain tender documents. The envelopes should be time and date stamped on receipt and stored in a secure place prior to tender opening. Tenders received after the submission deadline are not accepted.

Tender Opening Procedures

149. All tenders submitted should be opened at the same time and the tender details should be recorded. Two persons should be present for the opening of tenders as follows:

- For contracts up to £25,000 - two of: the Chief Executive Officer, Headteacher/Heads of Schools, MAT Business Manager
- For contracts over £25,000 – the Chief Executive Officer plus a member of the MAT Board or delegated MAT Finance, Audit and Personnel Committee (others may be present).

150. A separate record details the names of the firms submitting tenders and the amount tendered. The record is signed by both people present at the tender opening.

Tendering Procedures

151. The evaluation process should involve at least two people. Those involved should disclose all interests, business and otherwise, that might impact upon their objectivity. If there is a potential conflict of interest then that person must withdraw from the tendering process.

152. Those involved in making a decision must take care not to accept gifts or hospitality from potential suppliers that could compromise or be seen to compromise their independence.

153. Full records should be kept of all criteria used for evaluation.

For all contracts put out to tender a report should be prepared for the MAT Board highlighting the relevant issues and recommending a decision. The MAT Board will make the final decision. This should then be reported back to the school governing body and their finance committee.

154. The accepted tender should be the one that is economically most advantageous to the academy. All parties are then informed of the decision.

Insurance

155. The MAT Board reviews insurance arrangements annually and will make any recommendations to academies within the Trust. Each academy in the Trust is responsible for maintaining their own insurance and should use the RPA Scheme (see next point). It must ensure that the sums insured are commensurate with the risks and include cover for Trust property when off the premises. School governing bodies are responsible with the Heads of Schools for any additional insurances they may require eg additional supply cover or motor vehicle.

156. The MAT Board has made the decision that all academies within the Trust must opt in to the RPA Scheme - Department for Education Risk Protection Arrangement Scheme. This represents value for money and ensures that the academy has full cover for most eventualities. RPA is an alternative to insurance where the UK government funds cover losses that arise. More information can be found at:

<https://www.gov.uk/guidance/academies-risk-protection-arrangement-rpa>

157. All academies must ensure that all valuables are kept under lock and key when not being used in a supervised manner.

158. In the event of a claim, the excess (normally the first £250) of replacement has to be funded by the academy concerned as no budget is held centrally. Items under the current limit will receive no insurance pay out and it is up to the academy concerned as to whether the item is replaced or not.

Governors/Trustees Expenses

159. All governors/Trustees of this academy Trust are entitled to claim the actual costs, which they incur as follows:

- childcare or baby-sitting allowances (excluding payments to a current/former spouse or partner)
- cost of care arrangements for an elderly or dependent relative (excluding payments to a current/former spouse or partner)
- the extra costs they incur in performing their duties either because they have special needs or because English is not their first language
- the cost of travel relating only to travel to meetings/training courses at a rate of 45 pence per mile which does not exceed the specified rates for school personnel
- travel and subsistence costs, payable at the current rates specified by the Secretary of State for the Environment, Transport and the Regions, associated with attending national meetings or training events, unless these costs can be claimed from the any other source
- telephone charges, photocopying, stationery, postage etc.
- any other justifiable allowances

160. The Trust Board acknowledges that:

- Governors/Trustees are not be paid attendance allowance
- Governors/Trustees are not reimbursed for loss of earnings

161. Governors/Trustees wishing to make claims under these arrangements, must complete a claims form from the Clerk or MAT Business Manager together with the relevant receipts. The form must be submitted to the Finance Team within two weeks of the date when the costs were incurred, when they will be submitted for approval by the Chair of Governors/Trustees and Headteacher/Head of School for final approval.

162. Claims will be subject to independent audit and may be investigated by the Chair of the MAT Board if they appear excessive or inconsistent.

Gifts

163. Ordinarily such gifts should be rejected, unless they are of negligible value (e.g. diaries, calendars). However, any gifts or hospitality in excess of £25 should be reported to the Accounting Officer in order to protect the individual receiving the gift. This is particularly important where the person receiving the gift is a budget holder, has the ability to influence purchasing decisions or regularly receives reimbursement from the school for items other than travel expenses.

164. Gifts that have been reported will be entered onto a gifts and hospitality register.

Energy Management

165. The finance assistants in each academy are responsible for recording, monitoring and analysing water, gas and electricity consumption on a monthly basis. Meters should be checked before authorising any invoices from the utilities providers. Any discrepancies or unusual reading should be raised with the Headteacher/Head of School immediately.

166. The Premises Manager or Caretaker ensures that the school's heating system is operated and run as efficiently as possible.

167. The MAT Business Manager ensures that the school is purchasing energy at the most competitive prices available. In the future the MAT Board may oversee group contracts for energy if this will make savings across the Trust and represent value for money. From September 2020 the electricity supply is now 'Green' energy for all sites and new Academies joining the Trust will be encouraged to change suppliers if necessary and consider the environment and climate change.

168. All staff have the responsibility to work in an energy efficient manner at all times (e.g. turning off computers, lights and heating when not required).

Fraud

169. The trust does not tolerate fraud. Where instances of fraud are found the Accounting Officer and the MAT Business Manager will notify the ESFA. Requirements are laid out in the Academy Trust Handbook.

Whistleblowing

The Trust has an adequate whistle blowing policy in place, which all academies within the Trust should display in the staff rooms. Staff are given information at the start of each school year.

Issues may be raised with the ESFA, see website:

<https://www.gov.uk/government/publications/complain-about-an-academy>

Leasing

Finance leases represent borrowing and are not allowed under the Academy Trust Handbook guidance. A finance lease is like HP and is like borrowing or a loan so is prohibited.

An Operating Lease is hiring of equipment eg copiers or ICT, where an amount is paid for a set period of time to rent the equipment and then it is returned to the company concerned.

At no point does the academy actually take ownership and there is often a maintenance agreement as well to service and maintain the equipment during the contract. At the end of the contract another new Operating Lease can be agreed for new equipment and the old equipment will be taken away.

All leases are to be sent to the MAT Business Manager and Finance Team to check the terms and conditions *before* any contract is signed. The decision to sign a lease rests with the Trust and the responsibility rests with the MAT Board and Chief Executive Officer. They must be the signatories for any agreement, as a Direct Debit arrangement with the bank will need to be authorised.

Companies are aware that finance leases are not allowed for academies and often change the title of the agreement to make it look like an operating lease when it is still a finance lease. Care must be taken. Any queries will be referred to our External Audit Team and the ESFA for clarification and the decision made will be final. All leases are checked at the end of the financial year as part of the Year End and Accounts and failure to comply is reported to ESFA as a breach.

Pooling of GAG

A Multi Academy Trust has the option to pool GAG (as per the Academy Trust Handbook):

A MAT has the freedom to amalgamate a proportion of GAG for its academies to form one central fund. This fund can then be used to meet the normal running costs at any of its constituent academies within the Trust. The MAT must consider the funding needs and allocations of each constituent academy and must have an appeals mechanism. If a constituent academy's Headteacher/Head of School feels that the academy has been unfairly treated, they should appeal to the Trust. If the grievance is not resolved, they can appeal to the Secretary of State, via ESFA, whose decision will be final and who can dis-apply the provisions for pooling.

Bengeworth Multi-Academy Trust currently takes this approach and pools all GAG as it is simpler to operate with fewer schools and/or small schools who are likely to join the Trust.

Bengeworth Multi-Academy Trust may decide to maintain a central fund in the future when it grows, for the central functions of an academy trust, eg executive leadership, central head office, payroll function, HR, financial systems, year end accounts, financial returns and audit, etc. This may be achieved by top-slicing a percentage of GAG from each academy within the trust to maintain the central functions. Guidelines will be followed and the MAT Board will then set a rate between 4% and 12% each year. This annual rate will be approved each year following consultation by the MAT Board with the Chief Executive Officer and the Headteacher/Heads of Schools and all academies within the Trust must then comply with the decision.

VAT and VAT126 Form

170. Advice is available from our accountants for any VAT queries and the MAT submits returns to HMRC. The Trust is exempt from registering for VAT and does not currently charge any VAT on Accounts Receivable invoices. This may change in the future if the trust generates income above the threshold limit (currently £85,000). However, all VAT paid by academies within the Trust can be reclaimed. Any academy with a VAT query should contact the MAT Business Manager for help and advice. All miscellaneous claims and travel expenses should be checked carefully and the VAT recorded correctly. Academies must ensure that all VAT is recorded accurately and must only be claimed if there is a VAT invoice or receipt as evidence. This is the responsibility of the finance staff at each academy and checks will be made at audit. The MAT Business Manager is responsible for submitting the VAT126 reclaims to HMRC online and ensuring that all relevant reconciliations from the SAGE system are completed by the finance team. A MAT will only complete one VAT form which includes all constituent academies.

Fixed assets

The Academy Trust Handbook stipulates the delegated authorities laid out when purchasing/disposing of assets and the ESFA must approve:

- Acquiring a freehold of land or buildings
- Disposing of a freehold of land or buildings
- Disposing of any heritage assets.

Other than these, Trusts can dispose of any other fixed asset without ESFA approval. Trusts must ensure that disposal achieves the best possible price and maintains the principles of regularity, propriety and value for money. A Church owned academy must get certain permissions from the Diocese before disposal of some assets and the Supplementary Funding Agreement will give further information.

Fixed Assets are items which are capitalised in the accounts: land and buildings, furniture and fittings, ICT and items that have a long term value (see 171. below for a list).

Each academy within Bengeworth Multi-Academy Trust must have an Asset Register listing their fixed assets and an Inventory listing assets and any other items of value. The Finance Assistant at each academy is responsible for maintaining their Inventory and Asset Register.

Asset register

171. All items purchased with a value over the Trust's capitalisation limit of £500 and any high risk items eg ICT, cameras, must be entered on the academy's Inventory. Items which are to be capitalised ie fixed assets over £500, are then entered on the Fixed Asset Register with the following details:

- asset description
- asset number
- serial number
- date of acquisition
- asset cost
- source of funding (% of original cost funded from grant and % funded from other sources)
- expected useful economic life
- depreciation
- current book value
- location
- name of member of staff responsible for the asset

172. The Inventory and Asset Register helps:

- ensure that staff take responsibility for the safe custody of assets
- enable independent checks on the safe custody of assets, as a deterrent against theft or misuse
- to manage the effective utilisation of assets and to plan for their replacement
- help the external auditors to draw conclusions on the annual accounts
- support insurance claims in the event of fire, theft, vandalism or other disasters

173. Examples of items to include on the asset register include:

- ICT hardware and software (this list can be combined and used to identify software licences to ensure the school is complying with legislation)
- Reprographic equipment – owned photocopiers, comb binders, laminators
- Office equipment – fax machines, shredders, switchboard
- Furniture
- AVA equipment – TVs, video/DVD players, OHPs, cameras, speakers
- Cleaning equipment – vacuum cleaners, polishers
- Catering equipment – ovens, fridges, dishwashers, food processors
- Technology equipment – sewing machines, craft machinery
- Premises equipment – lawn mowers, power tools, generators
- Other equipment – musical instruments, PE equipment
- Mini buses

Security of assets

174. All the items in the register must be permanently and visibly marked as the academy property.

175. Equipment is, where possible, stored securely when not in use.

176. An annual count and check must be under taken by the finance assistant at each academy. Where discrepancies between the physical count and the amount recorded in the register are found these are investigated promptly and, where significant, reported to the school governing body.

Disposals

177. Disposals, where applicable, are in line with the Academy Trust Handbook.

178. Items which are to be disposed of by sale or destruction must be authorised for disposal by the Chief Executive Officer or Head of School and, where significant, should be sold following competitive tender. The academy and Multi Academy Trust must seek the approval of the ESFA in writing if it proposes to dispose of an asset for which capital grant in excess of £20,000 was paid.

Loan of Assets

179. Items of academy property must not be removed from academy premises without the authority of the Headteacher/Head of School. A record of items taken off the premises should be kept and items should be booked back in to the academy when it is returned.

180. If assets are on loan for extended periods or to a single member of staff on a regular basis the situation may give rise to a 'benefit-in-kind' for taxation purposes. Loans should therefore be kept under review and any potential benefits discussed with the academy's auditors.

Data Security

The academies within the trust rely on computers to process and record personal, financial and other management data. Most of the controls in this section cover access to data held on computers. Refer to the Academy's ICT policy & Acceptable Use policy.

- Computer systems used for school management are protected by password security to ensure that only authorised employees have access. Passwords are changed regularly and updated for staff changes. Staff all have personal secure logins to the IT systems and restricted access to certain areas only.
- The Heads of Schools ensure that data is backed up regularly and that 'cloud' back-ups are also made and securely held in a secure fireproof location off-site.
- The Chief Executive Officer together with the Headteacher/Heads of School has established Critical Incident and Business Continuity Plans to ensure continuity of financial administration in the case of emergency.
- The Headteacher/Heads of School ensure that systems are in place to safeguard school software and data against computer viruses. To prevent viruses being imported, only authorised software is used.
- The school governing body must ensure that Data Protection is maintained and the Information Commissioner would be notified if there is a breach in accordance with the General Data Protection Act. The Academy's use of any electronic or relevant manual systems to record or process personal information, and any disclosure of that information, must comply with data protection regulations and GDPR which came in from May 2018.
- Cyber threat is now at the forefront for all schools. All staff and anyone with access to the academy networks must undertake Cyber Security Training annually as part of the RPA Scheme insurance cover. This is run as an INSET session at the start of year. Cyber alarm is being utilised to monitor any unusual activity and any new schools joining the trust will be encouraged to install this as well.

Reporting Requirements for ESFA, Academy Trust and School Governing Bodies

Reports for ESFA

	Information	Frequency	Deadline
1	Budget Forecast Return 3 Year Plan from MAT	Annually	16 th July
2	Annual Accounts & Audit Report submission from MAT	Annually	31 st December
3	Annual Accounts Return from MAT	Annually	18 th January
4	Annual Accounts on school and Trust websites	Annually	31 st December
5	Annual Accounts – sent to Companies House	Annually	31 st May
6	Land & Buildings Collection for ESFA	Annually	6 th November
7	Workforce Census by all schools	Annually	2 nd November
8	School Census by all schools	Termly	Oct/Jan/May

Reports for Multi-Academy Trust Board

	Information	Frequency	Deadline
1	Actual GAG Budget allocations from the ESFA for each school	Annual	Received by March
2	Additional funds from LA throughout the year for each school	As appropriate	As notified
3	Devolved Capital formula allocations from the ESFA for each school	Annual	Jan (being phased out)
4	Other allocations and grant claims for each school	As appropriate	As notified
5	ESFA Budget Forecasts checked from academies within the Trust - for completion of the BF Return by Trust	Annual	By 18 th May
6	Budget monitoring statement from SAGE showing original budget, latest revised budget, commitments, actual £ and % received/spent to date, balance outstanding and end of year projections	Monthly Reports and checked Monthly	Monthly (by 10 th of following mth)
7	Forward projections (BFR 3 Year Plan combining figures of all academies within the Trust to be prepared and submitted to ESFA)	Annually	To complete online for ESFA by 16 th July

Reports for School Governing Body

	Information	Frequency	Deadline
1	Actual GAG Budget allocations from the ESFA	Annual	With (7)
2	Additional funds from LA throughout the year	As appropriate	As notified
3	Devolved Capital formula allocations from the ESFA	Annual	As notified
4	Other allocations and grant claims	As appropriate	As notified
5	Budget Forecast for the following financial year Sep-Aug. To be checked and sent to the MAT Board for final approval	Annual – spring term	To forward to MAT Board by 18 th April
6	Budget monitoring statement from SAGE showing original budget, latest revised budget, commitments,	Monthly Reports and	Monthly

	actual £ and % received/spent to date, balance outstanding and end of year projections	checked Termly	SGB to review at each meeting
7	Forward projections (3 years) – Any known issues to be brought to the attention of the Board/CEO	Annual	To forward to MAT Board by 15 th May
8	(Any Private Funds – Run completely separately from the Academy).	Annual	Audit to take place within three months of Dec Year end (ie Jan)

Appendix 1

Financial Limits and Delegated Authority

Members of the Trust (4)

To approve the Annual Year End Accounts.

To approve appointments to the Board and any Resolutions put forward to them.

Oversight of the Trust as a Charity organisation.

MAT Board of Directors (Trustees)

The MAT Board has full power for the financial affairs of the Trust and must follow the guidance in the Academy Trust Handbook and the Academies Accounts Direction at all times. The Board must ensure that all academies in the Trust also abide by these ESFA rules.

The MAT Board is NOT empowered to authorise expenditure that would place the Academy Trust in an overspent position. (If a Trust will go into deficit, the Accounting Officer must report in to ESFA as a matter of urgency and within two weeks).

The MAT Board will make strategic decisions for the Academy Trust and manage the Trust Finance and Business function with full responsibility for making all final decisions concerning any of the academies within Bengeworth Trust.

To approve the Budgets and allocations submitted by all the academies within the Trust, based on plans and evidence submitted by the School Governing Bodies and the recommendations of the MAT Finance, Audit and Personnel Committee, Headteacher/Heads of Schools and Chief Executive Officer.

To monitor the financial position and the Cashflow at the Bank for the Trust and make decisions on any further action where necessary, based on reports from the MAT Finance, Audit and Personnel Committee and Chief Executive Officer.

To approve the final MAT 3 Year Budget Plan for submission in the Budget Forecast Return to the ESFA before the July deadlines.

To approve the Statement of Assurance given by the Responsible Officer confirming the internal audit process and results, which is then submitted to the ESFA with the Year End Accounts.

To approve the final Year End Accounts and Management Report and recommend them to the four Members of the Charity for approval.

To ensure that funding is allocated strategically and directed where it is most needed in the Trust to ensure the very best provision for the education of the pupils in its care. This will be in collaboration with the Headteacher/Heads of School, MAT Finance, Audit and Personnel Committee and Chief Executive Officer recommendations.

To approve any large expenditures above £5,000 on behalf of academies within the Trust, based on discussions and the recommendations of the MAT Finance, Audit and Personnel Committee and Chief Executive Officer.

To ensure that relevant tender processes are followed for large procurements.

MAT Finance, Audit and Personnel Committee

Full powers are delegated to the MAT FAP Committee to check and make recommendations to the Board of Directors/ Trustees for expenditure and/or virement up to the limit of £20,000 (and within each Academy's allocation). The Finance, Audit and Personnel Committee is NOT empowered to authorise expenditure that would place the academy in an overspent position.

To make any recommendations and pass to the MAT Board for approval for any large projects or expenditure outside the Academy's Budget Plan,

To oversee the Trust Finance and Business function, with responsibility for recommending decisions for budgets and allocations to the MAT Board for final approval.

To monitor the financial position and the Cashflow at the Bank for the Trust and recommend to the MAT Board any further actions where necessary.

To recommend the final MAT 3 Year Budget Plan to the Board for approval and for the final submission of the BFR to the ESFA before the deadlines.

To recommend for approval by the MAT Board the Statement of Assurance given by the Responsible Officer confirming the internal audit process and results, which is then submitted to the ESFA with the Year End Accounts.

To complete a cycle of internal auditing and termly reviews to ensure that financial standards are met and systems are robust.

To approve the final Year End Accounts and Management Report and recommend them to the Board of Directors (Trustees) for approval.

To ensure that funding is allocated strategically and directed where it is most needed to ensure the very best provision for the education of the pupils in its care.

To recommend approval by the Board for any large expenditures above £5,000 on behalf of academies within the Trust.

To investigate and make recommendations about any emergency repairs or large unforeseen expenses to the MAT Board.

MAT Performance Management Committee

Delegation to the Performance Management Committee (or the FAP Committee) to review appointments, salary increases etc up to the limit of the approved staff salaries budget in line with recommendations by the Chief Executive Officer (and Headteacher/Head of School), and make recommendations to the Board of Directors/ Trustees for final approval. The Performance Management Committee is NOT empowered to authorise expenditure that would place the staffing budget in an overspent position.

Local School Governing Body

To adhere to the Trust Terms of Reference which are issued annually.

To check and approve the Academy's Budget Plan in the spring each year for submission to the MAT Finance, Audit and Personnel Committee and then the MAT Board for final approval.

To hold regular half-termly SGB meetings and report to the MAT Board via minutes and Chair of Governors reports.

To ensure Best Value is always obtained in all areas, in line with the Trust Best Value Statement.

To be aware of projects in school and approve spending within the academy's Budget Plan up to £5,000. For projects between £5,000 and up to £20,000, to refer to the MAT Finance, Audit and Personnel Committee to recommend it to the MAT Board for authorisation. All spending must be within the Academy's Budget Planning for the year. School Governors must NOT go ahead with a large project without prior approval from the MAT Board.

To check and monitor the monthly Budget v Actual spend reports and query any areas of discrepancy or large variance.

To report to the MAT Finance, Audit and Personnel Committee and MAT Board any financial concerns or relevant information and requests.

The Headteacher/ Head of School /Chief Executive Officer

The Headteacher/Head of School /CEO is empowered to authorise expenditure only within the approved budgets, not including the contingency sum and up to a single value item not exceeding £5,000. Large spends should be discussed with the School Governing Body. Approval of the MAT Finance, Audit and Personnel Committee or MAT Board is required above £5,000, including for any virements.

The Headteacher/Head of School /CEO is NOT empowered to authorise expenditure that would place the Academy in an overspent position. All spending must be within their agreed Budget Plan.

Where specific items or work have the approval of the School Governing Body or the MAT Finance, Audit and Personnel committee/ MAT Board, the Headteacher/Head of School /CEO is empowered to authorise expenditure up to the approved sum. The approved sum is the amount allocated for the item or the lowest of any quotations/tenders less any contingency sums, whichever is the lower.

The Headteacher/Head of School may delegate their authority to a named senior member of staff. This should be approved by the School Governing Body and the decision recorded in their minutes. The Accounting Officer cannot delegate any authority.

The Headteacher/Head of School must ensure that funding is allocated strategically and directed where it is most needed in their Academy to ensure the very best provision for the education of the pupils in its care. This will be in collaboration with MAT Finance, Audit and Personnel Committee and Chief Executive Officer recommendations.

The Headteacher/Head of School will recommend Performance Management rises for staff to the Chief Executive Officer, for approval and authorisation by the Trustees.

SGB Finance Sub-Committee (if set up)

Delegation to the School Finance Sub-Committee to authorise expenditure and/or virement up to £5,000 and within the limit of the Academy's allocation, and report back to their School Governing Body. The Finance Sub-Committee is NOT empowered to authorise expenditure that would place the school in an overspent position.

SGB Environment, Safeguarding, Health and Safety Committee (if set up)

Delegation to the School ESHS Committee to authorise expenditure up to £5000 and within the limits of the approved revenue and capital budgets, and report back to their School Governing Body. The School ESHS Committee is not empowered to exceed these budgets (see virement below).

Virements

The Headteacher/Head of School is empowered to authorise virement between budget headings within the overall delegated sum as follows: -

- Up to £5,000 Discussed with School Governing Body and subsequently reported to MAT Finance, Audit and Personnel Committee/ Trustees.
- Over £5,000, Finance and Audit Committee approval required in advance and subsequently reported to Trustees
- Virement from capital to revenue is not allowed.

Bengeworth

Multi Academy Trust

Brilliant People • Better Schools • Bright Futures

Bengeworth Multi Academy Trust

King's Road, Evesham, WR11 3EU

www.bengeworthtrust.co.uk

Company Registration Number: 08943457

UID: 16942

UKPRN: 10060770



Brilliant People • Better Schools • Bright Futures