SAINT JOHN SOUTHWORTH CATHOLIC ACADEMY TRUST

Finance Manual

Committee:	Trust Board (Resources Committee)
Approved on:	Approved September 2026
Next review date:	September 2027 (proposed)

Associated documentation

Academy trust funding agreement	Mainstream academy and free school: supplemental funding agreement (December 2020 v7)
Academy Trust Handbook	2026 (effective 1 October 2026)
Academies Accounts Direction	2026-2027
Capital Revenue & Reserves Policy	Current Board-approved version in the policy register
Donations Policy & Procedures	Current Board-approved version in the policy register

Version history

Version	Date	Author	Rationale	Review
1.0	Sept 23	CFO	Academy Handbook Updated	Jan 2024
1.1	Jan 24	CFO	Audit Review	Jan 25
1.2	Sept 25	CFO	Academy Handbook Updated	Sept 26
1.3	Sept 26	CFO	Academy Handbook Updated	Sept 27

Contents

This document sets out the regulations for the academy trust.

Section	Paragraphs
Introduction	1-3C
Financial Planning	4-24A
Independent checking procedures	25-25C
Review of regularity	26-28A
Annual accounts	29-37
Accounts Return	38-39A
Document retention	40-40A
Accounting system	41-52
Cash Management	53-75
Investments	76-77
Reserves	78-82A
Capital Reserves	83-84
Endowments	85-86
Payroll	87-110A
Income	111-129
Purchasing	130-182
Fraud, Theft, Irregularity and Cybercrime	183-185
Whistleblowing	186
Leasing	187
VAT	188
Fixed assets	189-201
Risk Register	202
Financial Training	203-205A

Section names link to the text. Paragraph references are used so that review markup does not make navigation dependent on pagination.

Introduction

1. The purpose of this manual is to ensure that the Trust and each academy within it 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 DfE's Regions Group.

2. The academy trust must comply with the principles of financial control outlined in the Academy Trust Handbook 2026 (effective from 1 October 2026). This manual expands on that and provides detailed information on the academy's accounting procedures and systems. This 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.

3A. This manual must be read with the Trust's executed funding agreements, articles of association, approved Scheme of Delegation, relevant committee terms of reference, and current Pay, Capital Revenue & Reserves, Donations, Information Security, Business Continuity and Whistleblowing policies. The Board must approve a written scheme of delegated financial powers and retain overall responsibility for the Trust's funds. The scheme should be reviewed annually and at the next Board meeting following a relevant management or organisational change.

3B. Internal approval never replaces a required DfE or HM Treasury consent. The CFO must establish the applicable authority and retain written consent before a transaction is agreed or takes place, allowing time for referral to HM Treasury. These controls apply irrespective of the funding source, including voluntary funds and insurance receipts. Any proposed departure from this manual must be escalated to the CFO and Board and must not override legislation, the funding agreements, the Handbook or a DfE direction.

3C. The Trust must comply with any direction issued by the Secretary of State and any Notice to Improve. The CFO must identify and suspend affected internal delegations, obtain the DfE approvals required by the Notice and Handbook, and report compliance to the Board. A Notice to Improve must be published on the Trust website within 14 days of DfE notifying the Trust of its publication, and remain there until lifted. Use of freedoms on assets, leases and GAG must first be checked against eligibility under Handbook paragraphs 5.57-5.61 and the Trust's executed funding agreements.

Financial Planning

4. The academy trust prepares a rolling 3 year budget. This forms the core of the five-year strategic forecast referred to in paragraph 6.

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 DfE relating to carry forward of unspent funds, will be considered when preparing and submitting the budget.

Budget

6. The CFO is responsible for preparing and obtaining approval for the annual budget and a five-year forecast. The budget should be approved by the headteacher and local governing body prior to submission to the Board of Directors. The full Board of Directors must approve and minute the balanced annual Trust budget and any significant changes to it. A balanced budget may draw on unspent funds brought forward from previous years. Local or committee approval does not replace this full-Board 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. The Board should use integrated curriculum and financial planning to connect curriculum priorities, staffing deployment, pupil numbers and affordability across its schools; any alternative approach must be demonstrably better suited to the Trust's circumstances. Planning should also address the effective use of resources for inclusion, including SEND and disadvantaged pupils.

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 DfE funding including pupil premium and other specific grants actually available for the budget year
- 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 considering the development plan objectives and the expected variations in cost e.g. pay increases, inflation and other anticipated changes
- all brought forward balances
- any unspent grants from the previous financial year
- any funds held in Trust

8A. The Board should challenge pupil-number assumptions and review them termly. The CFO/COO must document realistic pay, inflation, grant, cash-flow and capital-maintenance assumptions and lessons from prior years. Capital and digital plans should support the six core DfE digital standards by 2030: broadband, network switching, wireless networks, cyber security, filtering and monitoring, and digital leadership and governance. Filtering and monitoring expectations already apply and must not be deferred to 2030.

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 expenditure is supported by income and available unspent funds brought forward, consistently with the approved reserves policy. 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.

10. If there is a significant (over 10%) departure from the anticipated budget this will be escalated to the relevant local governing body and the Board of Directors' (Resources Committee) as part of the monthly management accounts procedure. These variance thresholds do not defer urgent escalation of cash-flow difficulties, threatened financial viability or a going-concern risk under paragraphs 24A and 79-80.

11. The approved budget is then entered onto the finance system at the start of the new financial year.

Other Government Funding

12. In addition to GAG funding from DfE 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 of 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 CFO is 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 DfE the academy/MAT and other government funding, the academy/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 Governors/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 audited externally annually.

15. The CFO, School Business Managers and Finance Officers (or equivalent) 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 CFO is 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 of association.

Virements

17. Substantial virements shall be approved and minuted by the full Board of Directors where they constitute significant changes to the approved budget; otherwise by the Resources Committee within its delegated powers and should be within the agreed criteria and financial limits.

18. The Headteachers are given delegated power to vire from one budget to another only within the approved Scheme of Delegation. Prior approval under paragraph 19 is required where either limit in that paragraph is exceeded; significant budget changes require full-Board approval under paragraph 17.

19. All virements exceeding £10,000 or 2% of the budget shall require prior approval from the Board of Directors (Resources Committee).

Revised Budget

20. Monitoring and analysis of the agreed budget should be carried out on a monthly basis by the CEO (Accounting Officer) and CFO and reports forwarded to the local governing body and Board of Directors regularly. Where significant variations to the agreed budget are identified or where a number of substantial virements have been approved by the local governing body and or where significant staff changes have occurred in-year, then a Revised Budget must be prepared and approved and minuted by the full Board of Directors where the change is significant. This Revised Budget should then form the basis of analysis of all income and expenditure until the financial year end.

Budget Forecast Return

21. The approved budget must be submitted to DfE each year by the CEO in line with the deadline set. The trust will be notified by the DfE of the deadline each year. The CFO is responsible for establishing a timetable for completion of the BFR, which allows sufficient time for the approval process and ensures that the submission date is met. The Budget Forecast Return itself must be approved by the full Board of Directors before submission; approval of an earlier budget alone is not a substitute.

Monitoring and review (including management accounts)

22. Monthly reports are prepared by the CFO. The reports include:
- actual income and expenditure against budget (shown as month to date and cumulatively)
- balance sheet
- cash flow forecast
- one page summary highlight and explaining variances of at least 5% or £10,000 (whichever is smaller)

23. Any potential overspend against the budget must in the first instance be discussed with the Headteacher and, where significant, CEO.

24. Regular financial reports are sent to the CEO (accounting officer), local governing bodies, Board of Directors (Resources Committee) and the chair of governors. They must also be shared with the chair of the Board of Directors. The full Board must consider the management accounts whenever it meets and record the challenge, decisions and actions necessary to maintain financial viability.

24A. The CEO, as Accounting Officer, must notify the Board promptly when the Trust's ability to operate as a going concern is at risk. The Directors must take ownership of the position and the necessary action, including notifying DfE. The CFO must provide current forecasts, cash-flow evidence and proposed mitigations so that the Board can act without waiting for the next routine reporting cycle.

Independent checking procedures

25. The Trust must have an annual external audit and an independent, risk-based programme of internal scrutiny across the year. The members appoint the external auditor, except where company law permits appointment by the Directors. The Board's audit and risk committee must approve the internal scrutiny programme and those who perform it. The CFO maintains a current appointment schedule and the relevant engagement letters. The external audit firm must not also provide the Trust's internal audit service.

25A. Internal scrutiny must cover financial and non-financial controls and all categories of risk, with its annual scope informed by the risk register and other assurance. Scrutineers must

be independent of the senior leadership and finance team, suitably qualified and experienced, and report directly to the audit and risk committee. Their findings must be made available promptly to all Directors. The committee must monitor progress on recommendations and the accuracy of funding-related returns.

25B. The audit and risk committee must have written terms of reference, contain a majority of Directors, and should meet at least three times a year. Employees should not be members when audit matters are discussed, although the CEO and CFO should attend to provide information. At least one member should have recent or relevant accountancy or audit assurance experience. The chair of the Board should not chair the audit and risk committee. Where audit and finance committees are separate, their chairs should be different.

25C. A combined finance/audit and risk committee is permitted while annual revenue income in the last audited accounts is £50 million or less. Above £50 million, the Trust must have a dedicated audit and risk committee and deliver internal scrutiny through an in-house internal auditor and/or a bought-in internal audit service. The CFO must check this threshold annually and when the Trust grows.

Review of regularity

26. The CEO (in their role as Accounting Officer) reviews the following documents termly to ensure the academy trust is working within the boundaries of regularity and propriety:
- reviews management accounts
- reviews compliance against the scheme of delegation
- reviews transactions for evidence of connected party transactions
- value for money practice

27. The CEO (Accounting Officer) has delegated the following operational tasks to the CFO, but retains personal, non-delegable responsibility for assuring the Board of compliance with the funding agreements and Handbook:
- 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

27A. The Accounting Officer must advise the Board in writing if a proposed action is incompatible with the articles, funding agreements or Handbook, or if the Board fails to act as required. Where the Board intends to proceed despite that advice, the Accounting Officer must consider its reasons and, if still of the view that a breach would occur, notify DfE's Accounting Officer immediately in writing.

28. A checklist is completed for each review undertaken.

28A. The Accounting Officer must share each Dear Accounting Officer letter with members, Directors, the CFO and the senior leadership team, arrange for Board discussion and record any action to strengthen controls. The CFO must maintain an annual compliance calendar, monitor handbook updates and report required procedural changes before they take effect.

Annual accounts

29. The academy trust must prepare annual audited financial statements for the accounting period to 31 August. The annual report and accounts must comply with the applicable Academies Accounts Direction and Charities SORP.

30. The accounts are prepared in house by CFO or by a separately appointed accounts-preparation provider under an appropriate engagement. Any outsourcing must preserve auditor independence and avoid self-review; internal scrutineers must not review records or controls they prepared or operated.

31. The accounts are then submitted as follows:
- by 31 December - to DfE
- by 31 January - published on our own website
- by 31 May - to Companies House
- to every member and to anyone requesting a copy
The CFO must also submit the annual internal scrutiny summary report to DfE by 31 December, with the audited accounts, and provide other internal scrutiny reports on request.

31A. By 31 January each year, the CFO must arrange publication on the Trust website, alongside the annual accounts, of a Board-approved summary explaining how funds are distributed across the Trust's schools. This applies whether or not GAG is pooled. The statement should cover the Trust overview, financial operating model, central services and expenditure by academy, and reconcile to the annual-accounts notes on central services and funds. The first statement under the 2026 Handbook is to be included in the reporting cycle ending 31 January 2027.

Value for money statement

32. The Accounting Officer must sign the annual statement on regularity, propriety and compliance and explain in the governance statement how the Trust secured value for money. The Trust will support that explanation with 3 focused examples, as a local reporting practice.

33. The CFO is responsible for collating the examples which are then confirmed by the finance committee.

Audit arrangements

34. External auditors should be members of a relevant professional body and must be appointed in accordance with the Academy Trust Handbook. Trustees and peer reviewers (including internal scrutiny reviewers) performing such work should have appropriate qualifications and/or experience relevant to the area being reviewed.

34A. External audit and regularity engagement terms must be written and separate from any additional services, for which a separate engagement must specify work and fees. The Trust should retender external audit at least every five years. The audit and risk committee must review the external audit plan each year, the annual report and accounts, the auditor's findings and management responses; assess the auditor's effectiveness and resources; and report its conclusions and recommendations annually to the Board and members, including reappointment, dismissal or retendering and remuneration. The Board must ensure an appropriate, reasonable and timely management response to findings. The engagement must permit removal in exceptional circumstances and require an explanation within 14 calendar days of resignation. Removal requires a majority vote of members, with reasons given to the Board. The Board must notify DfE immediately of removal or resignation and provide the required reasons or auditor explanation.

35. The CFO 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.

Work undertaken during accounting period

36. The CFO and, where applicable, School Business Managers 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
- depreciation charges
- maintaining income and expenditure records (including filing of invoices)
- reviewing aged debtors for any provisions required
- holding a record of governors/trustees interests, related and connected party transactions
- control account reconciliations (bank, wages, debtors, creditors)
- Monitoring & reporting to the CEO (Accounting Officer) and Board of governors/trustees

Work undertaken for the year end

37. The CFO is 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 for IT licences
- 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
- obtaining pension valuations
- obtaining Pension Audit certificates as required

Accounts Return

38. The academy trust must prepare an annual accounts return for the accounting period to 31 August, which is submitted to the DfE by the deadline specified by DfE for that reporting cycle.

39. The accounts return is prepared in house by the CFO.

39A. The CFO must coordinate completion and submission of the school resource management self-assessment checklist by DfE's annual deadline, with appropriate Board scrutiny. The governance professional must ensure required governance changes are notified through Get Information about Schools within 14 calendar days, with the website and Companies House updated as required. The Trust must provide information required by DfE and cooperate with DfE and National Audit Office access and investigation requirements.

Document retention

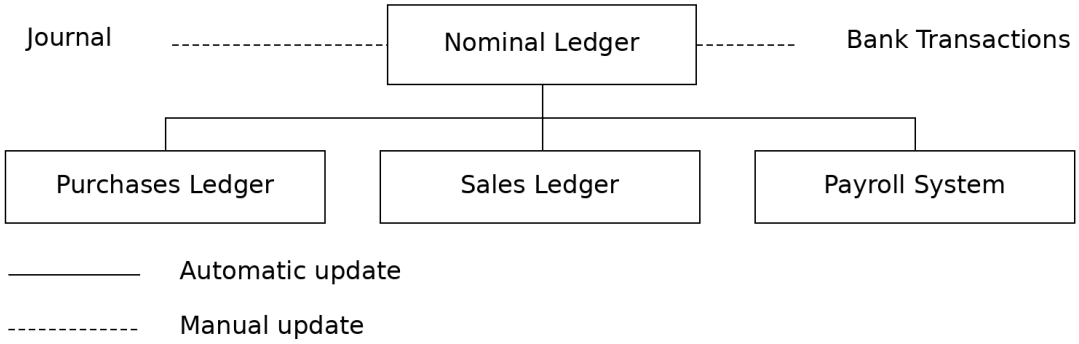
40. Documents are retained for the following amount of time:
- Finance records - current year plus preceding 6 years
- Pension records- 85 years after an employee has left
- Payroll and travel records - current year plus preceding 6 years
- Personnel records - 6 years after an employee has left
- All student files until the student reaches the age of 25 (or transfer to new school)

40A. Records evidencing funded provision by the Trust or its subcontractors must be retained for at least six years after the period to which funding relates. A longer statutory, contractual, safeguarding, pension or legal-hold requirement takes precedence over the

general periods above. Personal-data records must also follow the approved records-retention schedule and secure-disposal procedures.

Accounting system

41. All the financial transactions of the academy trust must be recorded into HCSS Access Finance, the computerised financial information accounting system. This system is operated by the Finance Department and consists of:



System Access

42. Access to the system is password restricted to CFO and others who have been authorised by the CEO (Accounting Officer) e.g. external accounting providers. Access must be role-based, separately attributable to named individuals and removed promptly when no longer required. The CFO and IT lead must review finance-system access regularly and maintain segregation of duties.

43. Credentials must be managed under the Trust's Information Security policy, using individual accounts, restricted privileges and multi-factor authentication where supported. User passwords must not be shared or routinely circulated to the finance office. Emergency administrative access must be securely controlled by the IT lead, authorised, logged and reviewed.

Back-up Procedures

44. The CEO and School Business Managers are responsible for ensuring that there are effective back up procedures for the system. Data is backed up on a suitable medium and cloud-based server.

45. A copy of the nominal ledger and audit trail are generated and stored separately from the accounting system regularly.

46. The disaster recovery plan explains what to do in the event of loss of accounting facilities or financial data. Copies are held in the fire proof container. The plan must link to the Trust's Business Continuity and Information Security policies, identify recovery responsibilities and provide for backup restoration and recovery testing.

Transaction processing

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

48. Bank transactions are input by Finance Officers (or equivalent) and reviewed by CFO and CEO.

Transaction reports

49. The CFO and CEO review the following system reports to ensure that only regular transactions are posted to the accounting system:
- the weekly audit trail reports;
- masterfile amendment reports for the payroll, purchase ledger and sales ledger;
- management accounts summarising expenditure and income against budget at budget holder level

Reconciliations

50. The CFO is responsible for ensuring the following reconciliations are performed each month, and that any reconciling or balancing amounts are cleared, for example,:
- 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 CFO signs all reconciliations as evidence of review. Where the CFO prepared a reconciliation, an appropriately authorised person independent of its preparation must review and evidence it.

52. Any unusual or long outstanding reconciling items are brought to the attention of the relevant Headteacher and CEO 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:
- the trust is responsible for selecting the banking institution and negotiating the terms and conditions
- the Board of Directors must authorise the opening of all bank accounts
- the academy/MAT will ensure that in the event of changes to key personnel or governors/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.

53A. No borrowing or overdraft facility may be agreed where repayment is from grant monies or security is an asset funded by grant monies without prior DfE approval, irrespective of the interest rate. The exception for finance leases on DfE's approved list is subject to paragraph 187. Bank accounts must not become overdrawn.

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 CFO and Finance Officers (or equivalent) are responsible for updating the accounting system (within 2 working days) for deposits placed.

Payments and withdrawals

56. All BACS, CHAPS, cheques and other instruments authorising withdrawal from academy bank accounts must be authorised by two of the following authorised signatories:
- CEO
- CFO
- Another member of the Executive (CSIO, COO, Deputy COO)
- Chair of the Board of Directors
- Vice-Chair of the Board of Directors

57. This provision applies to all accounts, public or private, operated by or on behalf of the governing body of the academy including funds held in trust.

58. The CFO and Finance Officers are responsible for updating the accounting system (within 2 working days) for payments and withdrawals made.

Administration

59. The CFO and Finance Officers ensure bank statements are received regularly and that reconciliations are performed on a monthly basis. Reconciliation procedures must ensure that:
- all bank accounts are reconciled to the academy's cash book
- reconciliations are subject to an independent monthly review carried out by the CFO or another authorised reviewer who did not prepare the reconciliation.
- adjustments arising are dealt with promptly

Petty Cash

60. The academy trust maintains a maximum cash balance of £500 for the purchase of minor items, which is held in the office safe and is the responsibility of the Finance Officer and CFO.

61. The petty cash float must not be used for:
- cashing personal cheques
- paying staff loans

Payments

62. In the interests of security, petty cash payments are limited to £50. Payments are made on production of a valid till receipt or other proof of payment and are subject to the same authorisation procedures as purchases from the main bank account.

Administration

63. The petty cash float is maintained on the imprest system and the float is only reimbursed from the main bank account.

64. The petty cash float is reconciled monthly by the Finance Officer. The reconciliation is then reviewed by the CEO and initialled as evidence of review.

65. The CFO carries out a spot check of the petty cash float once a term.

E-procurement & Payments

66. The Trust credit card (issued by Lloyds) is used only when it is not practical to use the purchase order/cheque/BACS payment system. It is used mostly for internet purchases and to buy small purchases locally etc.

67. The cards are kept by the individual to whom they are issued or securely in the safe. A credit card Agreement and cardholder undertaking form confirming use for academy business only is in place.

68. Any department wishing to make a purchase on credit card must complete an order form and pass this to the Finance Officer to make the purchase. All order forms detailing the purchase must be signed by the Budget Holder or Headteacher.

69. Occasionally the credit card is used to purchase small items where it is not possible to order these elsewhere. This must be recorded and countersigned by the Budget Holder. Cash advances and funding Petty Cash using the credit card are not permitted.

70. When the credit card statement is produced, the supporting paperwork is attached, and a Credit Card journal generated. A VAT invoice is required for all purchases where applicable.

71. The credit card statement along with all the relevant order forms are then given to the CEO or Headteacher who will check the statement and sign an authorisation sheet. These are then filed away with the relevant bank reconciliation. All balances must be cleared before interest accrues. The reviewer must not approve their own expenditure; any such items must be checked by another authorised person independent of the purchase.

BACS Payments

72. On receipt of an invoice, the budget holder signs the invoice, to signify:
- 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

73. The payment is then prepared, and the BACS payment then passed on to two of the cheque signatories who check it to ensure that the bank and sort codes have been correctly entered and approves payment.

74. Normally, BACS payments are processed within a month of receipt, although every effort is made to ensure the school benefits from early payment discounts.

75. The Finance Team, or appropriate person in each school ensures that evidence is kept of the employment status test criteria applied, when dealing with payments to individuals. 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. A self-employment reference number does not replace an employment-status assessment. The CFO must apply the applicable tax and off-payroll rules and ensure senior employees' arrangements comply with their tax obligations.

Investments

76. Investments are made in accordance with written procedures approved by the Board of Directors. The Board must maintain and regularly review an investment and savings policy that controls financial exposure and prioritises security of funds over maximising returns. Decisions must support the Trust's charitable aims and best interests, exercise appropriate care and skill, obtain professional advice where appropriate and explore suitable high-interest savings accounts.

77. All investments are 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

78. Any overall surpluses or deficits (reserves) at the end of the year are carried over to the following year. The Board must set a reserves policy, explain it in the annual report and maintain a clear plan for managing reserves. Restricted funds remain subject to their conditions.

79. Where the Board proposes a revenue deficit budget for the current financial year that cannot be addressed using unspent funds from previous years, it must notify DfE through the customer help portal within 14 calendar days of its meeting. This does not delay the immediate internal escalation and necessary DfE notification of going-concern risks under paragraph 24A.

80. If the academy trust is anticipating a deficit at the end of any financial year, the governing body and CEO have a responsibility to ensure action is taken at the earliest opportunity to address this issue. The Board must agree a credible recovery plan where required and engage with DfE on support, submission and approval requirements. A planned draw on available reserves must be distinguished from an unfunded deficit or risk to going concern.

81. The CFO must check the Trust's entitlement to carry forward unspent GAG under its executed funding agreements and Handbook paragraphs 5.29 and 5.57-5.61. There is no general Handbook carry-forward cap for eligible trusts. Any applicable agreement-specific limit must be observed, and reserves must be justified and managed under the Board-approved reserves policy.

82. The academy trust undertakes to ensure that a contingency reserve of 2% of the previous year's total GAG is kept.

82A. Any proposal to pool GAG requires Board approval and confirmation of eligibility under the funding agreements and Handbook. The funding needs and allocations of each academy must be considered and there must be an appeals mechanism, with unresolved appeals able to be escalated to DfE for a final decision. Private Finance Initiative funding must not be pooled. The approved operating model must be reflected in the statement required by paragraph 31A.

Capital Reserves

83. Any overall surpluses at the end of the year are carried over to the following year.

84. It is the responsibility of the COO to liaise with the CFO and Finance Officers to keep accurate records of the capital funds, especially where grants have been received for capital projects.

Endowments

85. The CFO is responsible for accounting for the transactions within the endowment fund.

86. Any transactions are in line with the memorandum and articles.

Payroll

Staff Appointments

87. The governing body of each academy has approved a personnel establishment for their academy and the Board of Directors for the central services of the Trust. Changes can only be made to this establishment with the express approval in the first instance of the local governing body or Board of Directors (Resources Committee) who must ensure that adequate budgetary provision exists for any establishment changes.

88. The Headteacher has authority to appoint staff within the authorised establishment except for members of the Leadership Team and Heads of Religious Education whose appointments must follow consultation with the Board of Directors. The HR Manager maintains personnel files for all members of staff which include contracts of employment. All personnel changes must be notified, in writing, to the HR Manager immediately.

88A. Executive pay, including benefits, must be determined under an agreed Pay Policy through a robust, evidence-based process with independent Board scrutiny. Decisions must be proportionate, defensible against the role and responsibilities and public-sector market, and represent value for money. The rationale and Board approval must be documented. No individual may take part in deciding their own remuneration.

88B. Executive remuneration must not increase faster than the remuneration of the Trust's teachers unless the Trust has a clear justification and has obtained DfE approval in advance. HR and the CFO must document the comparison and check consent before implementation.

88C. For new appointments from 1 October 2026, DfE approval must be obtained before a post is advertised where remuneration exceeds £174,000, including the pro-rata equivalent for part-time staff, or performance-related pay is above £25,000. HR and the CFO must check the full proposed package against current DfE guidance before recruitment is authorised.

88D. The Board must appoint the senior executive leader and named Accounting Officer in writing and appoint a CFO. The Accounting Officer and CFO should be Trust employees; a proposed non-employee appointment to either role requires prior DfE approval. The two roles should not be held by the same person. CFO recruitment and qualification requirements are set out in paragraph 205A.

89. The HR Manager is responsible for obtaining the relevant DBS checks and ensuring these are retained on file.

Payroll Administration

90. Payroll is administered through the academy trust's payroll provider (EPM).

91. All staff are paid monthly 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

92. New master files can only be created by the payroll provider with the express approval of CEO or Headteacher. Any master file amendments made by the HR Manager must be printed out each month prior to the payroll run and must be authorised by the CEO or

CFO. Any master file amendments made by an academy must be authorised by the Headteacher or CEO.

92A. No employee may authorise a change to their own pay or benefits. Changes affecting the CEO or CFO must be evidenced by the relevant independent approval under the Pay Policy and Scheme of Delegation before payroll processing.

93. The HR Manager provides a monthly staff return which provides details for all staff in the section of sickness and other absences during the month and any new appointments or terminations. The staff return must be authorised by the nominated budget holder. Authorised staff returns should be sent to the Payroll Office for processing.

94. Timesheets for additional hours, temporary work or overtime undertaken are completed by the employee. In turn this is authorised by the budget holder, prepared by the Payroll Officer and signed off by the CEO, COO or CFO.

95. The HR Manager will prepare and distribute a timetable for payroll processing specifying key dates for the coming year.

Payments

96. Before payments are dispatched a printout of all data should be obtained, including an exceptions report from the payroll provider and this should be checked against source documentation by the HR Manager and then reviewed and initialled by the Headteacher. Authority to release payment will be by CEO and CFO.

97. All salary payments are made by BACS.

98. The payroll provider 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. This reconciliation is reviewed and signed by the CEO.

99. 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 CHAPS/BACS for these amounts are prepared by the payroll provider and authorised for payment by CFO and the CEO (or other authorised cheque signatory if one is unavailable) by the due date.

99A. The Trust must comply with Teachers' Pension Scheme and Local Government Pension Scheme regulations and the applicable Fair Deal guidance, ensuring eligible staff, including eligible transferring staff, have access to the scheme appropriate to their role. HR and the CFO must check enrolment, contributions and required submissions.

99B. From 1 October 2026, any proposed alternative to the Teachers' Pension Scheme or Local Government Pension Scheme must be raised with DfE for approval early in planning and before the proposal is communicated to staff. DfE approval must be obtained before any change is implemented.

100. The CFO 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. The check is recorded and available for checking by Headteacher and reviewed by the CEO (Accounting Officer).

101. After the payroll has been processed the nominal ledger will be automatically updated. Postings will be made both to the payroll control account and to individual cost centres. The Finance Department should review the payroll control account each month to ensure

the correct amount has been posted from the payroll system, individual cost centres have been correctly updated and to identify any amounts posted to the suspense account.

102. Annually, the HR Manager checks each member of staff that the gross pay per the payroll system agrees to the contract of employment held on the personnel file.

102A. The CFO and HR must arrange a separate, readily accessible website disclosure for the previous year ended 31 August of the number of employees whose benefits exceeded £100,000, in £10,000 bands. Benefits include salary, employer pension contributions, other taxable benefits and termination payments. Off-payroll payments for an individual's work exceeding £100,000 must be included as if the individual were an employee.

102B. An electric-vehicle salary-sacrifice scheme may be introduced only following Board approval of a documented business case and compliance with DfE guidance. Prior DfE approval is not required only where the Trust is not under a Notice to Improve and comprehensive documented mitigations ensure no cost or liability falls on it if an employee fails to fulfil obligations to the provider. Otherwise DfE approval must be obtained first. HR and the CFO must assess procurement, tax, employment, financial and exit risks and retain the evidence.

Salary advances

103. The trust does not award salary advances.

Overtime

104. Overtime is recorded by the individual and submitted by the end of each month to the Headteacher for authorisation, The employee completes the claim forms which are authorised by their Line Manager.

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

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

Severance payments

107. The academy trust may approve a special staff severance payment without DfE consent only where its non-statutory or non-contractual element is below £50,000 gross and none of the additional approval triggers in paragraph 108 applies. A justified business case, including documented legal assessment, must be prepared and approved before any binding commitment, using the DfE submission template where approval is required. Payments below £50,000 require the same scrutiny as larger payments.

108. Prior DfE approval must be obtained before any offer or binding commitment where:
- the non-statutory or non-contractual severance element is £50,000 or more, gross;
- an exit package of £100,000 or more includes a special severance payment;
- a special severance payment is proposed for an employee earning over £174,000 gross (excluding employer pension contributions for this earnings test);
- the Trust is under a Notice to Improve and proposes any special severance payment; or
- the payment is novel, contentious or repercussive, including a special severance agreement containing a confidentiality clause.
The full package and supporting evidence must be disclosed in the approval request.

109. The CEO (Accounting Officer) must sign off and review each business case. Where the CEO is the subject of the proposed payment or otherwise conflicted, independent Directors must undertake the approval under the Scheme of Delegation; no person may approve their own settlement. The CFO must retain the management record, legal advice, evidence, rationale and all required approvals.

109A. A severance payment should not reward failure. For gross misconduct, the only acceptable rationale is legal advice that procedural employment-law errors mean the claimant is more likely than not to succeed at tribunal. In poor-performance cases, compare the time and cost of capability and performance-management procedures. If legal assessment gives the Trust at least a 50% chance of defending the case successfully, a settlement should not be offered. Any justified settlement must be below the legal assessment of the likely award by the relevant body, and be in the Trust's interests.

109B. No confidentiality clause in any severance agreement, special or otherwise, may restrict protected public-interest disclosures or prevent DfE obtaining sufficient information to assess the payment. Any confidentiality clause connected with special severance must receive DfE approval before use, as required by paragraph 108.

Ex-gratia payments

110. Any ex-gratia payments must be submitted to DfE for prior approval. The same prior-approval requirement applies to other special payments beyond statutory or contractual cover or administrative rules, including extra-statutory, extra-contractual and extra-regulatory payments.

110A. A compensation payment must be based on a careful appraisal, including legal advice where relevant, and demonstrate value for money. Prior DfE approval is required where the non-statutory or non-contractual element is £50,000 or more, or another approval trigger applies, including a novel, contentious or repercussive payment or a withdrawn delegation. All special payments must be disclosed in the accounts as required by the applicable Accounts Direction.

Income

DFE grants

111. The main sources of income for the academy are the grants from the DfE. The receipt of these sums is monitored directly by the CFO who is responsible for ensuring that all grants due to the academy are collected.

Other grants

112. The receipt of these sums is monitored directly by the CFO and Finance Office who is responsible for ensuring that all grants due to the academy are collected.

Trips

113. A lead member of staff must be appointed for each trip to take responsibility for the collection of sums due. The lead teacher must prepare a record for each student intending to go on the trip showing the amount due.

114. Payment should be made via ParentPay, Arbor or equivalent payment system. A receipt must be issued for all monies collected with the value and number of the receipt recorded against the student making the payment.

115. The Finance Department should 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 regular basis, and it is the lead teacher's responsibility for assisting in chasing any outstanding amounts.

116. Trips should be run at cost price, although allowance can be made for administrative fees and additional staff cover. 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 Headteacher in advance of the booking being made.

Catering

117. Cash payments must be reconciled daily by the Finance Officer to the lunch records, and signed as evidence of reconciliation. The cash is kept in the safe prior to collection for banking. The Finance Officer must reconcile the banking sheet to actual receipts banked.

118. The fortnightly bank credits for electronic cash collection (e.g. via ParentPay, Arbor) are reconciled to the providers reports in the first instance. Monthly checks are undertaken by the Finance Officer and cross referenced to a sample of individual pupils.

Lettings (via SJS Enterprises Ltd)

119. The COO is responsible for maintaining records of bookings of sports facilities, and for identifying the sums due from each organisation. Payments must be made in advance for the use of facilities. Any arrangement that grants a leasehold or tenancy interest in land or buildings must also comply with paragraph 187; describing an agreement as a letting does not remove the consent requirement.

120. Details of organisations using the facilities will be held by the CFO who will establish a sales ledger account and produce a sales invoice from the Financial Information accounting system.

121. Copies of the organisations up to date relevant Public Liability, indemnity, insurance and qualifications (where relevant e.g. H&S, First Aid, Instructor etc.) are kept with the Letting Agreements held by the COO and are reviewed at least annually.

Sundry income

122. Income from other sources (for example educational consultancy) is priced in consultation with Headteacher. 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 Consultants Policy. Chargeable services should normally recover full cost, with an additional return where the Trust operates commercially, subject to applicable charging rules and the Trust's charitable purposes.

Gift aid

123. To ensure the academy trust, in its position as an exempt charity, receives all the monies it is entitled to the relevant Finance Officer:
- reconciles income against records to confirm expected amounts have been received from the donor
- ensures the tax reclaimable from HMRC has been obtained and any relevant business use deductions have been made.

Bad debts, Write-Offs and Other Indemnities

124. The academy trust chases all monies due, and those that have not been paid within 30 days of an invoice being issued, by telephone or letter.

125. If the debt remains unrecoverable after 6 months, or it becomes clear that the debt will not be repaid, the CFO submits a report to the authorised approver under paragraph 126, subject to the DfE limits in paragraph 127.

126. The following internal write-off limits apply, subject to paragraph 127 and any restriction on delegation:
- Up to £150 - Headteacher

- Over £150 to £500 - CEO (Accounting Officer)
- Over £500 - Board of Directors (Resources Committee)

127. Prior DfE approval is required for writing off debts or losses, entering into guarantees or letters of comfort, or entering into indemnities outside the normal course of business, where either applicable delegated limit would be exceeded:
- a single transaction: the lower of 1% of total annual grant income and £45,000;
- cumulative transactions in a financial year, separately for each category: the lower of 5% of total annual grant income and £250,000 where timely, unqualified accounts were submitted for each of the previous two financial years; otherwise the lower of 2.5% and £250,000.
Annual grant income means the grant income disclosed in the last audited accounts. The CFO must maintain a category-by-category register and test both limits before approval. Write-off values are measured before successful insurance or RPA claims.

128. The Trust recognises the need to disclose letters of comfort and guarantees in financial statements and other liabilities in accordance with the applicable Accounts Direction and reporting standards. Before any guarantee, letter of comfort or indemnity is agreed, the CFO must assess the obligation and the applicable DfE consent requirements under paragraph 127.

129. The Trust is committed to ensuring that any such assurance should provide best value for money. Before writing off a debt or loss, the approver must be satisfied that reasonable recovery options, including insurers or the RPA, have been considered and that there is no feasible alternative. Proposed guarantees, letters of comfort and indemnities must be appraised against the costs and benefits of relevant options.

Purchasing

130. 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.

131. Procurement by the Trust must comply with the Procurement Act 2023 and associated regulations where applicable. Procurements and contracts governed by the Public Contracts Regulations 2015 under the transitional and saving arrangements must continue to follow that regime, including applicable framework call-offs. Before starting a procurement, the CFO must document the governing regime, whole-life estimated value, applicable legal threshold, procurement route and required notices, and obtain professional advice where necessary.

131A. For every goods or services purchase, relevant DfE purchasing opportunities must be considered and the decision recorded. The procurement record must identify the opportunity considered, the selected route, the value-for-money assessment and any justified exception. The CFO must retain proportionate evidence with the purchase approval.

131B. Supply staffing must use the Government Commercial Agency Supply Teachers and Education Recruitment framework unless an alternative compliant agreement has rates

no higher than those available through that framework. The CFO and HR must retain the rate comparison and compliance evidence before an alternative is approved.

131C. Energy procurement must follow paragraph 181 when contracts are renewed. The COO must maintain a central register of contracts, expiry dates, extension options, notice obligations and contract owners, including supply staffing, energy and management information systems.

131D. Management information system (MIS) contracts must be aligned with DfE's MIS framework by September 2027. Where a contract expires before 1 September 2027, any extension must be no longer than 12 months; any necessary interim new procurement must include DfE's MIS Core Principles in its requirements. Extension options on contracts running beyond 1 September 2027 must not delay transition. The next full-term MIS contract must be awarded through the DfE MIS framework. The CFO and IT lead must review existing terms, prepare a transition plan and obtain DfE clarification where contract timing creates uncertainty; no existing contract is to be terminated without review of its terms and authority.

131E. For internal quotation and tender limits in paragraphs 134 and 147-148, values are the total estimated commitment over the whole contract, including extensions, options and related requirements, excluding VAT. Legal procurement thresholds must be tested separately on the valuation basis required by the applicable legislation, including VAT where required. Requirements must not be split to evade either internal controls or legal thresholds. The CFO must check the current legal thresholds at the start of each procurement rather than treat £40,000 as a statutory threshold.

131F. The CFO must ensure appropriate supplier due diligence, declaration and management of conflicts, applicable exclusion/debarment checks and use of Find a Tender for required notices. Award, transparency, contract-detail, modification, performance, payment and termination notices must be assessed and published where legally applicable. A named contract owner must monitor delivery, expenditure, performance, changes and renewal decisions.

132. Trust Funds will not be used for the purchase of alcohol for consumption, except where it is to be used in religious services.

Routine Purchasing

133. 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.

134. Routine purchases up to £1,000 can be ordered by Budget Holders. In the first instance a supplier should be chosen using best value evidence. A quote or price must always be obtained before any order is placed. At least two quotes should be obtained for purchases over £1,000 and up to £5,000. At least three written quotes must be obtained for purchases over £5,000 and below £40,000; purchases of £40,000 or more follow paragraph 148. Copies of all quotes must be attached to the order form.

E-procurement

135. Any department wishing to make a purchase on credit card must complete an official order form in the usual manner and pass this to the Finance Officer to make the purchase. All order forms detailing the purchase must be signed by the Budget Holder.

136. Occasionally the credit card is used to purchase small items where it is not possible to order these elsewhere. This must be recorded and countersigned by the Budget Holder. Cash advances and funding Petty Cash using the credit card are not permitted.

Orders

137. All orders must be made, or confirmed, in writing using an official order form, stocks of which are held by the Finance Department and available on the Trust/School Intranet (SharePoint). Orders must bear the signature of the budget holder and must be forwarded to the Finance Department to check adequate budgetary provision exists before placing the order.

138. Approved orders will be recorded in the purchase order module of the financial information system which allocates a reference number and commits expenditure. Orders will be dispatched to the supplier from the Finance Department.

139. The budget holder must make appropriate arrangements for the delivery of goods to the academy. On receipt the Budget Holder must undertake a detailed check of the goods received against the goods received note (GRN) or physical goods and make a record of any discrepancies. Discrepancies should be discussed with the supplier of the goods without delay.

140. If any goods are rejected or returned to the supplier because they are not as ordered or are of sub-standard quality, the Finance Department should be notified. The Finance Department will keep a central record of all goods returned to suppliers.

141. All invoices should be sent to the Finance Department. Invoice receipt will be recorded by the Finance Department (and the invoice scanned) into the Financial Information System purchase ledger module). The Finance Department will stamp invoices with a grid against which the following can be evidenced by the budget holder authorising payment:
- invoice arithmetically correct
- invoice posted to purchase ledger
- goods/ services received
- goods/services as ordered
- prices correct
- invoice authorised for payment
- payment authorised
- VAT treated correctly
- payment made

142. The budget holder must make a detailed check against the order and the GRN and these documents must be attached to the invoice before it is sent back to the Finance Department. Budget holders must undertake these checks without undue delay and in any case within 7 days of invoice receipt.

143. If a budget holder is pursuing a query with a supplier the Finance Department must be informed of the query and periodically kept up to date with progress.

144. At the end of each month the Finance Department will produce a list of outstanding invoices from the purchase ledger and this list together with supporting documentation will be reviewed by the CFO.

145. The Finance Department will then input details of payments to be made to the purchase ledger and generate the cheques/BACS required. The cheques/BACS and associated paperwork must be authorised by two of the nominated cheque signatories.

146. BACS payments are input by the Finance Team and authorised on-line by two signatories in accordance with the banking policy and procedures (see E-procurement and Payments above).

Orders over £5,000 but less than £40,000

147. At least three written quotations must be obtained for all orders to identify the best source of the goods/services. Written details of quotations obtained should be prepared and retained by budget holders and Finance Office for audit purposes. Telephone quotes are acceptable only if written confirmation has been received before a purchase decision is made and made in accordance with value for money principles.

Orders of £40,000 or more

148. All goods/services ordered with a total value of £40,000 or more, including a series of related requirements, must follow a formal competitive procedure or a lawfully available framework call-off approved under the Scheme of Delegation. A departure from the internal quotation or tender process must have a documented rationale and prior Board or properly delegated committee approval. It cannot waive statutory competition or notice requirements; any lawful direct award requires the legal basis to be established under paragraph 156.

UK Find a Tender Service (FTS)

149. Find a Tender must be used as required by the applicable procurement regime. The CFO must verify the current statutory thresholds and notice requirements before advertising or awarding a contract and retain evidence of required publications. The Trust's lower internal quotation and tender thresholds still apply; a purchase below a legal threshold is not automatically exempt from internal competition or any applicable notice duty.

Trading with related parties and connected parties

150. The Trust will comply with the Academy Trust Handbook requirements for related parties and conflicts of interest. An up-to-date register must cover all members, Directors, local governors and senior employees serving at any point in the preceding 12 months, and staff with financial responsibilities. It must record required appointment details, relevant business and financial interests, other trusteeships/governorships and relevant close-family interests, including nil returns where applicable. Interests must be updated as they arise, not just annually; declarations and management of conflicts must be minuted at meetings. The governance professional must arrange the required website publication of interests.

151. The CFO must report all expenditure contracts and agreements with related parties, including renewals, to DfE using its online form before they commence or are renewed, regardless of value. Prior DfE approval must also be obtained where a goods/services contract or agreement exceeds £40,000 in the financial year ending 31 August, subject only to the specific exceptions in paragraph 151A. DfE's guidance applies the £40,000 approval test to single transactions, not amounts aggregated by supplier. Employment payments through the Trust's payroll and income transactions are outside this advance-reporting process, but all applicable related-party disclosures must still be made in the annual accounts.

151A. The £40,000 prior-approval exception applies to the educational establishments specified in Handbook paragraph 5.43, but not their subsidiaries. For religious-authority services, it applies only to essential functions fundamental to the academy's religious character and ethos that only its religious authority can provide. It is not a general exemption for diocesan suppliers or traded services. The transaction must still be reported in advance.

Novel, contentious or repercussive related-party transactions always require prior DfE approval, regardless of value or these exceptions.

152. The Trust must apply the at-cost requirements to suppliers within Handbook paragraphs 5.46-5.47, subject to the specific provisions in paragraphs 5.48-5.54. Where cumulative contracts with such a related party exceed £2,500 in a financial year, the element above £2,500 must be at no more than full cost, including direct costs and a proportionate share of overheads but no profit. The CFO must obtain the required statement of assurance and open-book agreement, and retain evidence of open and fair procurement. Any permitted religious-authority or educational-establishment treatment must be documented. Related-party relationships and transactions must be disclosed in the accounts as required.

Novel, Contentious or Repercussive Transactions

153. Novel, contentious or repercussive transactions must always be referred to the DfE for explicit prior authorisation before they are agreed or occur, using the current DfE customer help portal or, for related-party transactions, the DfE related-party online form.
- Novel payments or other transactions are those in which the Trust has no experience, or are outside the range of normal business activity for the trust.
- Contentious transactions are those which might give rise to criticism of the Trust by Parliament, the public or the media.
- Repercussive transactions are those likely to cause pressure on other trusts or the broader public sector to take a similar approach and hence have wider financial implications, including additional costs for other parts of government.

154. The DfE consider that it is for trusts to use their judgement about when they should or must seek the prior advice of the DfE. Public money must always be spent prudently and in ways that command broad public support. If there is any doubt whether a transaction could be seen as novel, contentious or repercussive academies must seek advice from the CFO . The CFO must seek DfE advice where classification remains uncertain, and no commitment may be made while required approval is outstanding.

Goods and services for private use

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

Forms of Tenders

156. For procurements governed by the Procurement Act 2023, the competitive routes are the open procedure and competitive flexible procedure, selected and designed lawfully for the requirement. A framework call-off must follow the applicable framework rules. Direct award may be used only where a statutory justification or other lawful basis applies, with documented advice, due diligence, approvals and required transparency notices. Convenience, a small supplier market, failed competition or urgency does not by itself establish a lawful exemption. For procurements governed by the previous legislation under transitional rules, use the procedures permitted by that regime. The CFO must approve the route before suppliers are approached.

Preparation for Tender

157. Full consideration should be given to:
- objective of project
- overall requirements
- technical skills required
- after sales service requirements
- form of contract.

158. Before inviting tenders, the evaluation team must define and disclose the requirements, award criteria and weightings. Mandatory conditions must be distinguished from scored criteria. Tenders must be scored consistently against the disclosed criteria to help reach an overall decision.

159. A tender brief must always be prepared and is reviewed by the headteacher, CEO and, if applicable, the Diocesan Procurement Manager.

Invitation to Tender

160. The invitation to tender and associated procurement documents must be issued or made available consistently with the procedure selected under paragraph 156. Required notices, access arrangements and minimum time periods must be observed, with equivalent information provided to bidders and an auditable record of clarifications.

161. 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
- disclosed evaluation criteria, weightings, submission method and applicable clarification process

Tender Acceptance Procedures

162. The invitation to tender should state the date and time by which the completed tender document is received by the academy trust. Tenders must be submitted by the approved secure electronic route or, where lawful and appropriate, in sealed plain envelopes clearly marked as tender documents. Submissions must be time-stamped, access-controlled and kept unopened until the common deadline. Tenders received after the submission deadline are not accepted.

Tender Opening Procedures

163. 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 budget holders, the headteacher, CEO, CFO, the Diocesan Procurement Manager.
- For contracts over £25,000 - the headteacher or the CEO plus a member of the local governing body or Board of Directors as appropriate. For electronic tenders, the same independent opening control must be evidenced through the platform audit trail. These £25,000 opening-supervision limits are separate local controls from the £40,000 formal-procurement threshold.

164. 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

165. 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.

166. Those involved in deciding must take care not to accept gifts or hospitality from potential suppliers that could compromise, or be seen to compromise their independence.

167. Full records should be kept of all criteria used for evaluation and for contracts over £25,000 a report should be prepared for the local governing body or Board of Directors (Resources Committee) highlighting the relevant issues and recommending a decision. For contracts up to and including £25,000 the decision and criteria should be reported to the local governing body or, if appropriate, the Board of Directors (Resources Committee). The award must be approved by the person or body authorised in the current Scheme of Delegation; reporting a recommendation is not itself approval to commit the Trust.

168. The accepted tender should be the one that is most advantageous in accordance with the disclosed criteria and applicable procurement regime to the academy. All parties are then informed of the decision. The CFO must ensure required assessment summaries, award notifications, notices and any applicable standstill period are completed before contract entry.

Insurance

169. The Board of Directors (Resources Committee) reviews insurance arrangements annually. They ensure that the sums insured are commensurate with the risks and include cover for academy trust property when off the premises.

170. Consideration will be given annually to the Department for Education's Risk Protection Arrangements and whether it is an appropriate alternative to traditional insurance policy for all or individual academies within the Trust. The decision and value-for-money comparison must be recorded. The Trust must maintain adequate cover for its legal obligations and identify any risks requiring additional commercial insurance if RPA cover is used. It must cooperate with risk management auditors and implement reasonable risk-management audit recommendations.

171. Budget holders must ensure all valuables are kept under lock and key when not being used in a supervised manner.

172. The cost of replacement of items not covered under the insurance policy must be funded by the department concerned as no budget is held centrally.

Governors/Trustees Expenses

173. 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 approved in the Trust's expenses policy, 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

174. The Governing Body and Board of Directors acknowledges that:
- Governors/Directors are not be paid attendance allowance
- Governors/Directors are not reimbursed for loss of earnings

175. Governors/Trustees wishing to make claims under these arrangements, must complete a claims form from the CFO together with the relevant receipts. The form must be submitted to the Finance Department within two weeks of the date when the cost were incurred, when they will be submitted for approval by the Chair or Vice-Chair of Governors/Directors for approval. No claimant may approve their own claim. A claim by the relevant chair must be approved by an authorised unconflicted Director under the Scheme of Delegation.

176. Claims will be subject to independent audit and may be investigated by the Chair of Governors (or Chair of Resources in respect of the Chair of Governors/Directors) if they appear excessive or inconsistent.

Gifts

177. Ordinarily such gifts should be rejected, unless they are of negligible value. However, any individual gifts or hospitality more than £51 (or consolidated equivalent if a group gift) must be reported to the CEO (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, and has the ability to influence purchasing decisions or regularly receives reimbursement from the school for items other than travel expenses (see Donations Policy for further details).

178. Gifts that have been reported are entered onto the gifts and hospitality register.

178A. When the Trust makes a gift, its value must be reasonable and within the Scheme of Delegation, the decision and purpose must be documented, and the expenditure must satisfy propriety and regularity. The CFO must check the proposed gift against the Donations/Gifts policy and any DfE approval requirement, including novel, contentious or repercussive transactions and other special payments. The prohibition on alcohol in paragraph 132 remains applicable.

Energy Management

179. Site Managers 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 Finance Officer immediately.

180. The Site Manager ensures that the school's heating system is operated and runs as efficiently as possible. A BMS system is planned for use as part of an energy management system to assist control of energy use and improve efficiencies.

181. On renewal of each energy contract, the COO must use DfE Energy for Schools or a DfE-approved energy deal unless an alternative agreement offers equivalent value for money. Any alternative must have a recorded like-for-like value-for-money assessment and approval under the Scheme of Delegation before commitment. Advice from the Diocesan Procurement Team or other procurement advisers does not replace this requirement. Existing contracts must be managed in accordance with their terms.

182. 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, Theft, Irregularity and Cybercrime

183. The Trust does not tolerate fraud. The Board of Directors must notify DfE as soon as possible of instances of fraud, theft or irregularity exceeding £5,000 individually, or £5,000 cumulatively in a financial year. Unusual fraud must be reported regardless of value. The CFO must maintain an incident log so that cumulative losses and reporting triggers are identified; all suspected incidents must be escalated internally promptly.

184. The Trust is aware of the risk of cybercrime and has put in place proportionate controls to enable appropriate action where a cyber security incident has occurred. This is in line with DfE's cyber security standards. The Trust must not pay any ransom or extortion demand, including cyber ransomware. No internal approval or insurance arrangement creates an exception. Incident response must follow the Information Security and Business Continuity policies and preserve evidence.

185. The CFO and Accounting Officer must coordinate the Board's notification through DfE's current reporting route and preserve evidence. The notification must include the events and dates, financial value, measures to prevent recurrence, whether the matter was referred to the police (and why not, if applicable), and insurance or RPA recovery. Where either officer is implicated, staff must use the Whistleblowing procedure and an unconflicted Director must oversee escalation. Other required legal or regulatory incident notifications must also be considered.

Whistleblowing

186. The Trust has established a separate Whistleblowing policy which all staff are made aware of; to whom they can report any concerns and how their concerns will be managed. The Board must approve the procedure and publish it on the Trust website. Concerns must be handled properly and fairly, and staff told what protections apply. The Trust should identify at least one Director and one member of staff who can receive concerns.

Leasing

187. There are two types of Leases - Finance Leases and Operating Leases The Trust will obtain DfE approval to take up a finance lease, of any duration, on any asset not on the DFE approved list of leases. Prior DfE approval is also required before taking a leasehold or tenancy in land or buildings for seven years or more, or granting any leasehold or tenancy interest in land or buildings for any duration. The CFO must verify eligibility for the Handbook's lease freedoms, funding-agreement and church-property consents, and any Notice to Improve restriction before commitment. All leases must demonstrate value for money, regularity and propriety; professional advice must be obtained where classification or consent is uncertain.

VAT

VAT 100 form

188. The CFO is responsible for submitting the VAT return per quarter and ensures compliance with HM Revenue and Customs for claiming the correct levels of VAT and distributing reimbursement to each academy when received.

Fixed assets

The academies within the Trust occupy Church land and buildings. This section should therefore be read in conjunction with the Supplemental Agreement for Church Schools.

The Trust utilises the services of StatLog to record and manage capital projects. This also provides access to Members to monitor and support management of projects.

Asset register

189. All items purchased with a value over the academy's capitalisation limit of £1,000 must be entered on the fixed asset register [available online via StatLog] 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

190. The 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

191. Examples of items to include on the asset register include:
- ICT hardware and software
- Reprographic equipment – photocopiers (where owned outright)
- Furniture
- Catering equipment - ovens, fridges, dishwashers, food processors
- Premises equipment - tractor, generators
- Other equipment - musical instruments, PE equipment
- Minibuses

Security of assets

192. All the items in the register are permanently and visibly marked as the academy trust's property.

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

194. An annual count is under taken by a member of the Administration Team who is different from the preparer of the asset register. 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 local governing body.

Disposals

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

196. Items which are to be disposed of by sale or destruction must be authorised for disposal by the headteacher in consultation with the CEO or CFO if appropriate and, where significant, should be sold following competitive tender. The Trust must obtain prior DfE approval to acquire or dispose of freehold land or buildings, and to dispose of heritage assets beyond the applicable funding-agreement limits. Other fixed assets may be disposed of without DfE consent only where the Trust is eligible for that freedom and no applicable funding-agreement, grant, church-property or Notice to Improve restriction requires consent. The CFO must document the check and ensure the best price reasonably obtainable, regularity, propriety and value for money.

Loan of Assets

197. Items of academy property must not be removed from academy premises without the authority of the headteacher. A record of the loan must be formally recorded and booked back into the academy when it is returned.

198. 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.

Capital Projects

199. The Trust will be mindful of the advice of the DFE (e.g. Good Estate Management for Schools) in identifying and prioritising capital projects. Capital planning must support a safe and well-maintained estate, comply with statutory duties, and use realistic whole-life costs and funding assumptions. The Trust should apply the School Estate Management Standards and coordinate capital priorities with the estate strategy, risk register and digital plan.

200. The Trust will also follow the Diocesan Procurement Protocol for major projects: https://education.rcdow.org.uk/school-capital-and-pupil-placement-planning/capital-strategy/
Diocesan requirements apply alongside, not instead of, procurement law, the Scheme of Delegation and any DfE consent requirement.

201. Minor projects may be overseen by Site Managers following existing local and Diocesan policies and procedures including tendering, risk-management and best value processes.

Risk Register

202. The Trust maintains a Risk Register which will be reviewed and updated, if necessary, regularly by the local governing body and Board of Directors. The full Board retains ultimate responsibility for risk management and must conduct a full review of the register at least annually, drawing on the audit and risk committee's advice; it should review risks frequently between annual reviews. The register must cover all operations, not only finance, and link risks to controls, owners, actions, assurance and contingency and business-continuity plans.

Financial Training

203. The Trust recognises its responsibility to equip staff with the necessary skills and knowledge to enable them to manage the Trust's finances effectively. In addition to the annual programme of external and internal training provided (please refer to the Staff Development Plan), the CFO and other senior members of the Executive and Finance Team are happy to work with departments or individuals devising bespoke training

programmes. The Board should assess and address financial skills and experience across Directors, committees and local governing bodies. Training should cover financial management, control, monitoring and reporting, especially for finance and audit/risk committee members. The governance professional and CFO should maintain a skills and training record.

204. The Staff Development Plan outlines the programme of Induction for all new staff. In addition, new Finance Staff will be expected to shadow a colleague in the same or similar role and be mentored by them until such time as they are proficient in their duties.

205. All Finance Staff are expected to fully participate in the Trust's appraisal and performance management systems to fully support their future development.

205A. The CFO and key finance staff must be appropriately qualified and/or experienced, with the Board assessing qualification needs against risk, scale and complexity. For Trusts with over 3,000 pupils, CFO recruitment commencing on or after 1 October 2026 should specify a qualified accountant with relevant professional-body membership and/or the CIPFA Level 7 qualification; for recruitment commencing on or after 1 September 2027 the specification requirement is mandatory. DfE must be informed in advance, with reasons, of a proposed new CFO appointment without the specified qualifications. The CFO and key finance staff should maintain relevant continuing professional development.