Consilium Academies

FINANCE

POLICY & PROCEDURES

2025/2026

Date of Approval
April 2026

Approve by
Trust Board

Date of next Review
September 2026

Excellence and Equity with integrity

Summary of Main Changes

- DfE Financial Management and Governance Review updates:
    - Statement of commitment to ensuring payroll arrangements fully meet tax obligations and comply with HM Treasury's guidance.
    - Explicit inclusion of 'no more than cost principle' within related party transactions and updated the system of recording and managing
    - Explicit sentence within insurance that the trust must not pay ransom demands
    - Details around how the Trust manages creditors, cashflow and bank reconciliations
    - NEW: Appendix 6 Summary of financial freedoms and delegations as per Academy Trust Handbook 2025
- Updates to appendix 1 – purchasing approval delegated limits
- Investment section updated to reference the full investment policy (new)
- New materiality and de-minimis thresholds included for capitalisation of fixed assets, accruals and prepayments (£3,000 for capitalisation, £1,000 for accruals and prepayments)
- Replace ESFA with DFE throughout following the disbandment of ESFA

Summary of Main Changes April 2026

- Removed reference to Deputy CEO
- Replaced CFOO with CFO and removed reference to Director of Finance (until 31.08.26)
- Added in Finance Business Partner responsibilities where appropriate
- Replaced Head of Capital and Director of Estates & Operations with COO
- Reviewed and amended delegated limits for approvals (changes highlighted in red prior to approval)
- Added in reference to the Finance, Operations and People Committee (changes highlighted in red prior to approval)

Consilium Academies

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Introduction

The purpose of this policy and associated procedures is to ensure that the Consilium Academies Trust ("the Trust") maintains and develops systems of financial control which conform to the requirements both of propriety and of good financial management. It is essential that these systems operate properly to meet the requirements of the Trust's Funding Agreement with the Department for Education (DfE).

The Trust must comply with the principles of financial control outlined in the Academy Trust Handbook published by the DFE. This policy expands on that and provides detailed information on the Trust's accounting procedures. It should be read by all staff involved with financial systems.

The policy covers finance related policies such as depreciation, Trust reserves, investments, charging and remission, staff expenses and Trustees' expenses.

This policy relates to all the Trust's academies. Adherence to the principles and procedures contained in this policy is mandatory for all staff.

This policy is designed to be consistent with:

- Academy Trust Handbook
- Trust Articles of Association / Constitution
- Trust Scheme of Delegation
- Master and Supplementary Funding Agreements
- The Seven Principles of Public Life (also known as the Nolan Principles)

Organisation and responsibilities

The Trust has defined the responsibilities of each person involved in the administration of the Trust finances to avoid the duplication or omission of functions and to provide a framework of accountability for directors and staff. The financial reporting structure is outlined below.

Trust Board / Finance, Operations & People Committee / Audit Committee

The Trust Board have overall responsibility for the administration of its academies' finances and the effectiveness of internal controls. The main responsibilities of the Board are prescribed in the Trust Articles of Association, its Constitution, the Scheme of Delegation and in the Funding Agreement between the Trust and each of its academies with the Department for Education (DfE).

The Trust Board is responsible for ensuring that high standards of corporate governance are maintained, addressing such matters as:

- Finance policy development and strategic planning
- Ensuring sound management and administration of the Trust and its academies and ensuring that managers are equipped with relevant skills and guidance
- Ensuring compliance with general legislative requirements
- Establishing and maintaining a transparent system of prudent and effective internal controls
- Management of the Trust's financial, human and other resources
- Monitoring performance and the achievement of objectives and ensuring that plans for improvement are acted upon
- Setting the Trust's standards of conduct and working principles
- Assessing and managing risk, (including the preparation of a statement on academies risk management, for its annual report and accounts)
- To hold to account the trust CEO & Accounting Officer and each Academy's Local Academy Board.

The Trust Board is responsible for the detailed consideration as to the best means of fulfilling the Trust's responsibility to ensure sound management of the Trust and Academy finances and resources, including proper planning, monitoring and probity; most particularly by:

- Assisting to promote the highest standards of probity in the use of public funds and encourage proper accountability for the use of those funds
- Assessing and managing risk, (including the preparation of a statement on academies risk management, for its annual report and accounts)
- Improving the quality of financial reporting by reviewing internal and external financial statements
- Promoting a climate of financial discipline and control which will help to reduce the opportunity for financial mismanagement and fraud
- Promoting the development of internal controls and risk management systems so that the Trust and its Academies will achieve their objectives and targets and are operating:
    - In accordance with any statutory requirements for the use of public funds
    - Within delegated authorities
    - In a manner which will make most economic and effective use of resources available.

The Trust Board delegates financial scrutiny and oversight to the Finance, Operations & People Committee so that they can support the Trust Board in maintaining the Trust as a going concern; most particularly by:

- Reviewing, adopting and monitoring Financial Regulations which includes the Financial Scheme of Delegation for spending and budgetary adjustments (virements)
- Reviewing, adopting and monitoring all additional resources policies, including a charging and remissions policy.
- Establishing and maintaining a three-year financial plan, taking into the account priorities of the Trust Strategic Plan, student number projections and indications from central government.
- Approve and oversee the Trust's Investment and Reserves policies.
- Propose to the Board, for adoption and submission to the DfE, an annual budget taking into account the priorities of the Trust Development Plan.
- Make decisions in respect of service level agreements subject to the approval limits set out in the Financial Regulations.
- Ensure that sufficient funds are set aside for pay increments as set out in the Pay Policy and as recommended by the CEO.
- Monitor the income and expenditure throughout the year of all delegated and devolved funds against the annual budget plan.
- Receive Management Accounts in line with requirements set out in the Academy Trust Handbook.
- Report back to each meeting of the Trust Board and alert them of potential problems or significant anomalies at an early date.
- Prepare the Trustees Report to form part of the Statutory Accounts and for filing in accordance with Companies Act requirements.
- Review the Statutory Accounts and propose them to the Board for approval and publication.

The Audit Committee is responsible for ensuring that risks are being addressed through internal scrutiny and reporting to the Trust Board on the adequacy of the Trust's internal control framework, including financial and non-financial controls and management of risks; most particularly by:

- Agreeing a programme of work annually to deliver internal scrutiny that provides coverage across the year
- Review the ratings and responses on the risk register to inform the programme of work, ensuring checks are modified as appropriate each year
- Consider reports at each meeting from those carrying out the programme of work
- Consider progress in addressing recommendations
- Consider outputs from other assurance activities by third parties including DFE financial management and governance reviews, funding audits and investigations
- Have access to the external auditor, as well as those carrying out internal scrutiny, review their plans and reports and also consider their quality.

The Chief Executive Officer

The Chief Executive Officer (CEO) is the Accounting Officer with responsibilities as described in HM Treasury's "Regularity, Propriety and Value for Money". The Accounting Officer has personal responsibility for the propriety and regularity of the public finances for which they are answerable. It must be ensured that, in considering proposals relating to the expenditure or income for which they have responsibilities, all relevant financial considerations are taken into account and full regard is had to any issues of probity or regularity.

The main responsibilities of the CEO include:

- The development of the annual budget
- The development of long term financial planning
- The regular monitoring of actual expenditure and income against budget
- Ensuring value for money, avoidance of waste and extravagance and the effective use of resources
- Ensuring the annual accounts are produced in accordance with the requirements of the Companies Act 2006 and the DfE guidance issued to academies.

- Ensuring that the regular reports provided to the Board are timely and accurate.
- Authorising orders and the award of contracts within the approval limits shown in Appendix 1;
- Authorising payments within the approval limits shown in Appendix 1
- Authorising changes to the Trust's personnel establishment.
- Authorising payroll.

The Trust's Principals

Each academy Principal has overall executive responsibility for the academy's activities. Much of the financial responsibility has been delegated to the Chief Finance Officer, Head of Finance, Finance Business Partners and the Operations Managers but the Head Teacher still retains responsibility for:

- Authorising orders and the award of contracts within the approval limits shown in Appendix 1
- Ensuring the delivery of the academy annual delegated budget as approved by the Trust
- Monitoring the regular budget reports with the Operations Manager and acting on overspends or risk
- Reporting any potential overspend or financial risk to their Finance Business Partner
- Monitoring non-order invoices and ensuring compliance with the financial procedures.

The Local Academy Board

Within the framework of the Trust's Scheme of Delegation, each Academy will continue to be supported by a local academy board (LAB). The constitution for each LAB and the level of delegated responsibility will be approved by the Trust Board. The scheme of delegation will directly reflect the individual circumstances of the Academy in order to determine how responsibility is shared within the agreed decision making framework.

The LAB has no responsibility for the Academy's finances and resources.

Chief Finance Officer (Interim)

The Chief Finance Officer works in close collaboration with the CEO, both of whom are responsible to the Trust board. The main responsibilities of the CFO are:

- The management of the Trust's financial position at a strategic level and operational level within the framework for financial control determined by the Board
- Developing the financial strategy of the Trust
- Ensuring returns to DFE and other funding agencies completed correctly and on time
- Ensuring returns to statutory agencies are completed
- Managing investments
- The preparation of budgets and long term financial plans
- Via the Head of Finance & Finance Business Partners, the monthly monitoring of Trust budgets
- Cash flow and treasury management
- Authorising orders and the award of contracts within the approval limits shown in Appendix 1
- Authorising payments within the approval limits shown in Appendix 1
- Authorising payroll
- To direct effective financial strategy, short/medium/ long term planning and risk assessment
- To manage the commercial responsibilities of the trust
- To support effective external audit and manage the associated contract with the approved accountancy provider.
- Ensuring that the annual accounts are properly presented and adequately supported by the underlying books and records of each academy

- The maintenance of effective systems of internal control
- To implement effective internal audit process, with clear accountability reporting functions to the Trust Board.
- To oversee the effective use of the agreed/approved accounting system ensuring open and transparent finance reporting is in place for each individual Academy & at trust level.

Head of Finance

The Head of Finance (HOF) works in close collaboration with the CFO for financial management of the Trust and its' Academies. The main responsibilities of the HOF are:

- The preparation of monthly management accounts through the agreed/approved accounting system (Covered externally)
- Monthly monitoring of Trust budgets with the Finance Business Partners
- Managing internal and external audit processes
- Ensuring returns to DFE and other funding agencies completed correctly and on time
- Ensuring returns to statutory agencies are completed
- Cash flow and treasury management
- Authorise orders within the approval limits shown in Appendix 1
- Authorising payments within the approval limits shown in Appendix 1.
- The maintenance of effective systems of internal control
- Ensuring that the annual accounts are properly presented and adequately supported by the underlying books and records of each academy
- Ensuring that financial controls are working effectively at academy level
- To support effective internal and external audit.

Operations Managers

It is envisaged that each academy will have an Operations Manager or a person who undertakes that role albeit with a different job title. Where there is no Operations Manager at the Academy (due to internal structure or vacancy), this role will be supported by the Central Trust's extended operational team who will work closely with the individual Academy.

The Operations Managers work in close collaboration with the Central Finance Team The main responsibilities of the Operations Manager are:

- Authorising orders and the award of contracts within the approval limits shown in Appendix 1
- Ensuring that financial processes and controls are working effectively at academy level
- Ensuring spend is within agreed budgets and monitoring the regular budget reports.
- Monthly budget monitoring with the Principal

Departmental Budget Holders

All budget holders will be notified of their departmental budgets by the Operations Manager or Principal. Budget Holders are accountable for items of expenditure they directly control. It is the responsibility of the Budget Holder to manage their budget in the best interest of the pupils, achieving value for money and to ensure that the funds available are not overspent.

The budget holders must:

- Authorise orders within the approval limits shown in Appendix 1
- Monitor the budget reports as detailed in the procedures and Appendix 2.

Other staff

Other members of staff, primarily Finance Manager, Finance Business Partners and Admin Assistants, will have some financial responsibilities and these are detailed in the following sections of this policy.

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

Internal Audit

The Internal Audit process is approved by the Board (through the Trust Audit Committee) and will provide Trustees with an independent oversight of the affairs of the Trust. The main duties of the Internal Auditors with regards to finance are to provide the Trust Audit Committee with independent assurance that:

- The financial responsibilities of the Board are being properly discharged
- Resources are being managed in an efficient, economical and effective manner
- Sound systems of internal financial control are being maintained and;
- Financial considerations are fully taken into account in reaching decisions.
- Risks are identified and appropriate actions put in place. Trustees will appoint internal auditors to undertake a regular programme of reviews devised by the Audit Committee to ensure that financial transactions have been properly processed and that controls are operating effectively. A report of the findings from each visit will be provided to the Trust Audit Committee for review.

Related Parties and conflicts of interest

It is important for anyone involved in spending public money to demonstrate that they do not benefit personally from the decisions they make.

The Board of Trustees must ensure requirements for managing related party transactions are applied across the Trust. The Board Chair 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 7 principles of public life.

At any point if any staff member becomes aware of any related party transactions or any conflicts of interest these should be immediately reported to the Chief Finance Officer.

Declarations and Register of Interests

To avoid any misunderstanding that might arise all Members, Trustees, Local Academy Boards, Senior Employees and employees with budgetary responsibility are required to declare any financial interests they have in companies or individuals from whom the Trust may purchase goods or services. The register is open to public inspection and published on the Trust's website.

The register must include:

- all business interests such as directorships, partnerships, employment with businesses, shareholdings or other appointments of influence within a business or organisation which may have dealings with the Trust.
- trusteeships and governorships at other educational institutions and charities
- relevant interests of close family relationships (defined below) between the Trust's members, Trustees and Local Advisory Boards
- relevant interests arising from close family relationships between the Trust's members, Trustees and Local Advisory Boards and employees.

For these purposes the following persons are related to a member, or trustee:

- a relative of the member or trustee. A relative is defined as a close member of the family, or member of the same household, who may be expected to influence, or be influenced by, the person. This includes, but is not limited to, a child, parent, spouse or civil partner
- an individual or organisation carrying on business in partnership with the member, trustee or a relative of the member or trustee
- a company in which a member or the relative of a member (taken separately or together), and/or a trustee or the relative of a trustee (taken separately or together), holds more than 20% of the share capital or is entitled to exercise more than 20% of the voting power at any general meeting of that company
- an organisation controlled by a member or the relative of a member (acting separately or together), and/or a trustee or the relative of a trustee (acting separately or together). For these purposes an organisation is controlled by an individual or organisation if that individual or organisation can secure that the affairs of the body are conducted in accordance with the individual's or organisation's wishes
- any individual or organisation given the right under the trust's articles of association to appoint a member or trustee of the academy trust; or any body connected to such individual or organisation.

Trusts should consider whether other interests should be registered, and if in doubt should discuss this with the Chief Finance Officer.

The existence of a register of business interests does not detract from the duties of Trustees and staff to declare interests whenever they are relevant to matters being discussed by the Board or a committee. Where an interest has been declared, Trustees and employees should not participate or attend that part of any committee or other meeting.

Managing Related Party Transactions

If an order or contract with a related party is being considered, this should be reported to the CFO and authorisation from the CFO must be received before the order/contract is agreed and placed.

The CFO will review the transaction and if required report and obtain DFE approval for any contracts and other agreements with related parties to DFE in advance of the contract or agreement commencing, using DFE's related party on-line form.

Any goods or services purchased from a related party must be provided *at no more than the cost of supply*. Related parties must not make a profit from the Trust. Costs charged must be limited to the **directly attributable costs** of delivering the goods or services.

Before entering into a related-party agreement, the Trust must obtain and retain **documentary evidence** from the related party demonstrating how costs have been calculated. Acceptable evidence may include cost breakdowns, staff time allocations, overhead calculations, or other supporting documentation.

A written record must be maintained for every related-party transaction, including:

- nature of the relationship,
- evidence of cost-only pricing,
- approval route taken,
- confirmation that the transaction is at no more than cost.

The Trust will review related-party transactions annually to ensure compliance and report any concerns to the Audit & Risk Committee.

Annual declarations of interest

On an annual basis, all staff must complete a self declaration as part of the HR processes. If a staff member becomes aware of any new interests or changes following the form's completion, this must be reported following the HR process.

Supplier conflicts of interest

As part of the new supplier onboarding process, any conflicts of interest with suppliers should be checked and documented to the central finance team.

If any member of staff becomes aware of any conflict of interest with any supplier set up on the finance system, this should be discussed with the Chief Finance Officer and documented to the central finance team.

Accounting System

The Trust uses Access Financials and IMP at all its academies. The Trust's accounting system is fully computerised and all financial transactions of the Trust must be recorded on this system.

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

System Access

Access to the system is restricted to the Trust's employees and those authorised by the Chief Finance Officer. Access to the component parts of the system can also be restricted and the Finance Manager is responsible for setting access levels for all members of staff using the Access Financials system. The Chief Finance Officer is responsible for setting access levels on IMP. When a new member of staff requires access to the finance system (for example they are a new budget holder) this must be requested and appropriately approved through a new user form which is accessible on the Trust intranet.

Entry to the Access accounting system is password restricted. Passwords are only known by the relevant member of staff and passwords are changed immediately if an employee is aware that an unauthorised person has learnt their password. Access for staff who are no longer employed by the Trust is removed as soon as the member of staff leaves.

The Trust complies with the requirements of the GDPR. All accounting records including orders, invoices, bank statements, are retained electronically for six years, plus the current year. The Chief Finance Officer makes arrangements for the secure retention of electronic accounting records.

System Back-up Procedures

The IMP Budgeting and Access Accounting software are cloud based solutions and do not require daily / weekly back up.

Transaction Processing

All transactions input to the accounting system must be authorised in accordance with the procedures specified in this policy. The detailed procedures for the operation of the payroll, the purchase ledger and the sales ledger are identified in the Finance Policy.

Reconciliations of Balance Sheet Accounts

The Head of Finance is responsible for ensuring the following reconciliations are performed routinely in accordance with management account deadlines, and that any reconciling or balancing amounts are cleared:

- Sales ledger control account **monthly**
- Purchase ledger control account **monthly**
- Payroll control account **monthly**
- All suspense accounts **monthly**
- Accruals and prepayments **monthly**
- Balance sheet accounts **monthly**
- Review of trial balance for unusual postings **monthly**
- Bank balance per the nominal ledger **monthly**

Financial Planning and Budget Process

The Trust and each academy will prepare both medium term and short-term financial plans. Medium term is defined as a period of three years. The medium term financial plan is prepared as part of the Trust and Academy Development planning process. The Trust Development Plan indicates how the Trusts and each academy's educational and other objectives/priorities are going to be achieved within the expected level of resources over the next three years. The Trust Development Plan provides the framework for the annual budget. The budget is a detailed statement of the expected resources available to each academy and the planned use of those resources for the following year.

The Budget Process

The Trust must set a balanced budget, taking into account the current level of reserves, medium term projections and the need to invest to meet the longer term business plan.

The Chief Finance Officer is responsible for working with the Head Teachers, the Operations Managers, Head of Finance, Finance Associate and CEO to prepare a draft annual budget for consideration by the Trust Board. Once agreed, the Trust Board must minute their approval of the budget in line with DfE requirements.

The approved budget must be submitted to the DfE by the specified date, and the Chief Finance Officer is responsible for establishing a timetable which allows sufficient time for the approval process and ensures that the submission date is met. Following approval, the budget will be communicated to all employees with budgetary responsibility.

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

Staff Appointments

As part of the annual budget process, the Trust Board will approve a staff establishment for (a) The Trust and (b) Academies. Amendments to the approved establishments, in the case of (a) require the approval of the CEO and in the case of (b) require Trust authorisation from the Central HR and Finance Teams. Authorisation will be based on the Integrated Curriculum Financial plans which form part of the 3-year budgeting process. Straight backfills will not automatically be agreed and Principals will need to look at efficiency, outcomes and if that position is affordable and needed in future years before approval is given.

The CEO for the Trust and Principal for the Academy have the authority to appoint staff within the authorised establishment except for the role of Principal where Trust Directors will be involved. The CEO will approve all appointments to the Executive Team of the Trust.

Budget Monitoring and Review

The Chief Finance Officer and Head of Finance are responsible for monthly monitoring of the Trust budgets. Management Accounts will be prepared on a monthly basis by the Head of Finance setting out the Trust's financial performance and position and will be reviewed by the Chief Finance Officer and the CEO. The format of the management accounts must include:

- Income and expenditure account including forecasted figures
- Variation to budget report
- Cash flow
- Balance sheet
- Aged debtors & creditors

The monitoring process should be effective and timely in highlighting variances in the budget so that differences can be investigated and action taken where appropriate. Monthly management accounts will include a latest financial forecast for the year.

Once reviewed by the CEO and CFO, the monthly management accounts will be uploaded to Governor Hub accessible for all Trustees. At each meeting of the Trust Board, the most recently available management accounts will be presented for approval. The most recently available set of management accounts will be presented at various Trust Board meetings throughout the year.

Budget Virements

During budget monitoring if a budget net overspend is forecast it will be appropriate to vire money from another budget. This must be requested through a budget transfer request form which is accessible on the Trust intranet. The Trust Finance Manager will approve and process budget virements upon confirmation that sufficient budget exists to transfer from. Copies of each form will be retained for audit purposes.

Procurement

The Trust must ensure that spending has been for the purpose intended and is required to achieve the best value for money from all its purchases. This means purchasing goods at the correct quality, quantity and time at the best possible price by following the general principles of:

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

All spend must be authorised through the internal delegation levels that apply throughout the Trust and are detailed in Appendix 1.

Contracts register

Contracts are recorded in contracts register held by the central finance team.

Purchase of Alcohol

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

Gifts and Hospitality

The Trust's gift and hospitality policy is to be read in conjunction with this document. The policy is available on the Trust's website.

No gifts for staff (including but not limited to items such as vouchers or flowers) should be purchased using Academy budgets in line with guidance issued by the DFE.

The Trust maintains a gifts and hospitality register which is maintained by the Chief Finance Officer. Further information on gifts and hospitality including acceptable, unacceptable, and declining gifts can be found in the Gifts and Hospitality Trust policy.

If Academies wish to purchase gifts for external agencies providing voluntary work, this must be authorised by the Chief Finance Officer prior to any spend.

If anyone has any questions on gifts or hospitality, please contact the Chief Finance Officer.

Routine Purchasing

Principals and Operations Managers will inform Budget holders of the budget available to them for the academic year. It is the responsibility of the budget holder to manage the budget, working with the Operations Manager, and to ensure that any expenditure is consistent with the objectives of the academy.

Appropriate authorisation limits are reviewed annually and approved by the Trust's Board (see Appendix 1). The detailed Purchasing Procedures can be seen at Appendix 2.

The finance team centrally manages relationships with suppliers and can provide information to requisitioners and budget holders for preferred suppliers used by the Trust for value for money.

Procurement waiver form

In rare instances where the nature of the purchase does not allow for three quotes or a framework to be used, for example exam fees, a procurement waiver form must be completed. All procurement waiver forms must be signed off by the Chief Finance Officer before any purchase is made.

A list will be held of all procurement waiver forms by the Head of Finance and will be reported to the audit committee.

Tendering

Levels of purchasing and tendering limits are included in Appendix 3.

It is necessary to take the most economically advantageous tender (MEAT) of best value into account at all times although this is not necessarily the lowest cost. An explanation will need to be provided when the lowest cost quotation or tender is not accepted.

Purchasing cards

Purchasing Cards are to be used by the nominated card holder or Operations Manager only and the card should be stored securely. The pin number for the card should be memorised and not stored with the card. When using the card online, the card details should not be saved or given out to anyone outside the authorised users of the Operations Manager, Principal and central finance team.

The Operations Manager and Principal are responsible for the security of the cards at each Academy. If any card is lost or missing, this must be reported to the Head of Finance or Finance Manager immediately so the card can be cancelled.

Procedures for the authorisation of expenditure using purchasing cards is identified in Appendix 2 and operates as follows:

1) Academy purchase card transactions

   Prior to placing any transactions, the Operations Manager will check to confirm there is available budget for the transaction. All expenditure on charge cards at the academies must be approved and placed by the Operations Manager. Once the transaction is processed, the supporting receipts and approval documents should be sent by the Operations Manager to the relevant Academy finance email address. No credit card transactions should be placed without the knowledge of the Operations Manager, Principal or in their absence the Finance Manager.

2) Central purchase card transactions

   Prior to placing any transactions, the nominated card holder or Finance Manager will check to confirm there is available budget for the transaction. A requisition should be entered onto the system and approved by the budget holder. On rare occasions it may be necessary to use the purchasing card without having a signed requisition form however this should be infrequent. If this occurs the purchaser must have verbal and/or email approval from the Budget Holder which is then detailed/attached on the purchase requisition completed on Access at the earliest opportunity. No credit card transactions should be placed without the knowledge of the named card holder or the Finance Manager.

In order to minimise the risk with purchasing cards they all have a transaction limit which can only be amended by the Head of Finance or Finance Manager. The Trust has accounts set up with suppliers used across the Academies therefore the Trust's preferred method of payment is by invoice instead of the purchase card. For details on any credit accounts please contact the finance team who will be happy to help.

Each month a reconciliation of the purchasing card is completed by the finance team. Should the finance team consider the spend inappropriate, then this should be reported to the Head of Finance.

Personal reward schemes when making Academy purchases

Staff are not to use their own personal loyalty cards to obtain any personal benefit when making purchases for the Trust in line with regulations issued in the Academies Trust Handbook.

Reclaiming any Academy purchases made personally through expenses

The Trust has various methods of purchasing Academy resources, such as supplier credit accounts and purchase cards across the Trust, therefore it is not recommended or encouraged that staff make any purchases personally.

It is recommended that staff plan any expenditure in advance with budget holders and Operations Managers to allow time to set up any potential new supplier accounts and avoid any last-minute situations. If any purchases are urgently required, please contact the Academy's Operations Manager in the first instance to explore the options available. In the event of Operations Manager absence, please contact the central finance team who will be happy to assist you.

If any purchases are made personally by staff, these are made outside the Trust's financial procedures and budget checks and therefore there is a risk to staff that purchases made may not be able to be reimbursed.

In the rare situations where expenses are to be reimbursed to staff, these are reclaimed through the payroll expense process and supporting VAT receipts for the purchase must be submitted with the payroll claim.

Materiality & De-Minimis thresholds

To ensure that the Trust's accounting and financial reporting processes focus on transactions and balances that are material to the financial statements, and to improve the efficiency of month-end processes, the Trust has established de-minimis thresholds for the capitalisation of fixed assets and the recognition of accruals and prepayments.

Capitalisation of Fixed Assets

- Tangible fixed assets with a purchase cost of **£3,000 or more** shall be capitalised and recorded in the Trust's fixed asset register.
- Multiple related items purchased together whose **combined cost equals or exceeds £3,000** may be capitalised as a grouped asset, even if individual items fall below the threshold.

Accruals and Prepayments

- Accruals and prepayments shall be recognised where the value is **£1,000 or more**.
- Transactions below this threshold may be omitted at month-end unless their exclusion would materially affect the financial statements.

Rationale

These thresholds ensure that the Trust's accounting focuses on **material transactions**, enhancing efficiency and reducing unnecessary administrative effort, while maintaining accurate and reliable financial reporting.

Review

These thresholds shall be reviewed **annually**, or sooner if the Trust's financial profile changes significantly.

Capital Expenditure – Capital Investment Plan

On an annual basis the Capital Investment Plan for the next academic year will be established by the Estates team, reviewed by the CEO and CFO and presented to Trustees. The report will schedule out the capital programme for the next academic year and provide details of the schedule of projects expected to be undertaken across the Trust. Updates on the capital investment plan will be provided during the year to Trust Board.

Budgets for each project are established by the COO upon the completion of the Capital Investment Plan (CIP). Once approved, the COO is responsible for managing each project budget.

Expenditure in the CIP must be authorised at the SCA expenditure levels as shown in Appendix 1.

Treatment of any underspend on projects in the Capital Investment Plan

In the event there is an underspend when a project is completed or forecasts demonstrate the project will be underspent, funds can be transferred to a different project in the Capital Investment plan. The Project Manager is required to complete a Fund Transfer Request which requires approval as per the SCA delegated approval levels.

Treatment of any expected project overspend or additional projects added to the Capital Investment Plan

In the event that any additional works are to be added to the CIP or a project is forecast to be overspent, the following process will be undertaken:

- Any CIP project underspends not yet allocated will be used.
- The COO will review the CIP and complete a fund transfer request which requires approval as per the SCA delegated approval levels.

  For example: A project is planned within the CIP at £140,000 and has been approved in line with the SCA approval thresholds in Appendix 1. The project is later expected to cost an additional £30,000 bringing the total cost to £170,000. The additional £30,000 is within the SCA delegated approval limit (Appendix 1) of the Chief Finance Officer and therefore the overspend would be approved by the CFO.

- Any changes made from fund transfer requests will be captured within CIP project updates that are provided to Trustees at Trust Board.

Further information can be found in the internal estate's governance procedure held by the estates team.

Capital Expenditure – All capital expenditure outside the Capital Investment Plan

Capital expenditure outside the capital investment plan will apply to any capital asset purchased by the Trust, such as ICT equipment, furniture or motor vehicles. Capital expenditure outside the CIP must be authorised at the approval levels as shown in Appendix 1.

Income

The main sources of income for the Trust are the grants from the DfE. The receipt of these sums is monitored directly by the Chief Finance Officer and Head of Finance who are responsible for ensuring that all grants due to the Trust are collected.

Grant funding is received for bids made by Consilium. All external funding is managed and monitored by the Chief Finance Officer and reported to Trust Board.

Other Income received by the Academies for such items as trips and visits, sales of educational items, uniforms, catering etc should be paid from parents directly into Parent Pay. If in rare cases cash is received, this should be checked and receipted by the Operations Manager or equivalent. All income should be banked intact with two signatories on the cash count and a reconciliation completed for all receipts and the paying in slip. This documentation should be sent the same day to the central finance team.

Detailed guidance for income can be found in appendix 4.

Grants

The Trust receives a number of grants and earmarked funds to support its activities. These may be subject to specific terms and conditions. All grants applied for and awarded must be notified to the Chief Finance Officer.

The budget holder/Operations Manager for these areas are responsible for applying for such funds and ensuring that they are spent appropriately, overseen by the Principal, central finance team and Chief Finance Officer. Income budgets are set up in all cases where funding is expected. The Head of Finance monitors the receipt of expected income.

The Central Finance Team are responsible for applying for such funds which have a Trust wide Impact.

Lettings

Letting and hire of the Trust facilities will be conducted in line with the Lettings Policy for each academy which includes a scale of charges and will be reviewed annually. Each Academy follows their own local guidance and lettings policy.

The Operations Manager or equivalent will provide the lettings details to the central finance team who will ensure that income for lettings are invoiced and income recovered in line with the policy. Any unpaid invoices will be chased as bad debts.

Catering Reval Machines

For any cash taken at reval machines, two members of staff will empty the machines which is then counted, signed and banked in accordance with the procedures outlined above. Additionally, a reconciliation will take place between the cash counted and a report from the catering system with any discrepancies investigated. All documentation should be kept by the Academy and a copy sent to the relevant Academy finance email address.

Charity Collections

For any charity collections held in the Trust, any cash collected should be immediately given to the Operations Manager. The Operations Manager is responsible for keeping a charity tracker to monitor any charity income. Once received the cash should be counted, signed and banked directly into the charity's bank account. If this is not possible, the income should be banked in accordance with the procedures outlined above. All records of cash banked should be sent to the relevant Academy finance email address.

Once the cash is banked, the central finance team will make a payment of the amount banked to the charity.

Custody

Monies collected should be held securely in the Academy Finance Office Safe and should be banked and reconciled promptly. All income should be banked intact with two signatories on the cash count and a reconciliation completed for all receipts and the paying in slip. Cash held in the safe should not exceed the limits our insurer sets.

Checks on cash held in safes will be conducted at random throughout the year by the Finance Business Partners as part of internal quality assurance.

No cash should be kept for any reason outside the safe on Academy premises.

Cash Management

Bank Accounts

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

- the opening of all accounts must be authorised by the CEO and Chief Finance Officer
- the Head of Finance or Chief Finance Officer will ensure that in the event of changes to key personnel, 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 Bankers Automatic Clearing System (BACS) authorisations and the operation of the accounts must be formally recorded and agreement minuted.

Payments and withdrawals

All cheques and other instruments authorising withdrawal from the Trust bank accounts must bear the signatures of authorised signatories as listed in Appendix 1. This provision applies to all accounts, public or private, operated by or on behalf of the Board of Directors of the Trust. At least one of the cheque signatories must not sign a cheque relating to goods or services for which they have also authorised the expenditure.

Administration

All bank accounts must be reconciled monthly by the Head of Finance within management account monthly deadlines. The reconciliations will be signed off monthly by the Chief Finance Officer as part of the monthly management accounts process.

Petty Cash

The Trust does not hold any petty cash.

Creditor Management, Cashflow and Bank Reconciliation Controls

Creditor management procedures

The Trust maintains robust internal controls to ensure that creditor (accounts payable) processes are accurate, timely and compliant with the Academies Trust Handbook. Key controls include:

Invoice Receipt and Processing

- All invoices must be matched to a valid purchase order and evidence of goods/services received.
- Invoices are logged and processed promptly to ensure accurate month-end financial reporting.

Cut-Off Procedures

- At each month end, outstanding invoices are reviewed and appropriate provisions for accruals are made.
- Finance staff ensure that expenditure is recorded in the correct accounting period.

Supplier Payment Terms

- Payments are made in line with agreed supplier terms to maintain good supplier relationships and support healthy trust cashflow.
- Any deviation from standard terms must be authorised by the CFO.

Approval and Segregation of Duties

- All invoices are authorised in accordance with the Delegated limits and in line with the procurement section of this document.
- No individual may raise, approve and pay an invoice independently.

Creditor Reconciliations

- The creditors ledger is reviewed monthly to verify accuracy, clear unmatched items, and investigate aged balances.

Cashflow management and forecasting

The Trust actively monitors its liquidity position through structured cashflow procedures:

Monthly Cashflow Forecast

- A rolling cashflow forecast is prepared and updated monthly to predict inflows, outflows and closing cash positions.
- Material variances between forecast and actuals are reviewed and explained to the CFO.

Monitoring and Reporting

- Cash balances are reviewed frequently to ensure adequate funds are available to meet obligations.
- The Finance, Operations & People Committee receives regular cashflow reports as part of routine financial monitoring.

Controls

- Forecast assumptions and major cash movements are reviewed by the CFO prior to submission to the leadership team/committee.

Bank reconciliations

The Trust operates strict controls around the reconciliation of bank accounts:

Monthly Reconciliations

- All bank accounts are fully reconciled to the nominal ledger on a monthly basis as part of the month-end process.
- Reconciliations include matching transactions, clearing unpresented items, and investigating any discrepancies.

Review and Approval

- Bank reconciliations are completed by the Head of Finance or the Finance manager prior to being independently reviewed and signed off by the CFO ensuring segregation of duties.

Timeliness and Documentation

- Reconciliations are completed in line with the management accounts process timeline and retained with supporting documentation for audit purposes.

Payroll

The Trust uses an external payroll provider, Access. All employees have an HR and payroll portal to access their employment information such as payslips, annual leave, expenses, pay claims and contractual information. Only authorised members of staff have access to personnel files.

The Trust follows the National Joint Council (NJC) and Teachers Pay and Conditions guidance. There are minor deviations that only enhance the employee offer for example increased maternity allowance.

Payroll Process

At the start of every academic year the central HR team will provide the Operations Managers with a timetable for each month's payroll.

The central team sends a monthly changes form to Access for each month's payroll around 27th of the previous month. If there are any variations to pay these must be notified to the central HR team by this date. Any leave requests or pay claims (such as overtime or expenses) are submitted through the online portal and must be authorised by the relevant authority by this date to be accounted for in the following month's pay.

All payments of travel and subsistence allowances are made through the payroll system.

Following submission to the payroll provider of these changes, the HR team are provided with a first set of checking reports which are then distributed to the Operations Managers for their review and any queries are to be discussed with the central HR team. The central HR team conduct their checks to ensure all changes have been reflected and discuss any variances with the payroll provider.

Once all variances have been resolved and a final check completed, the central HR team are provided with the final payroll reports. The monthly payroll is then provided to the Chief Finance Officer for review and approval prior to any payments being made. Following approval, payments will be made on or around the 15th of every month.

Any changes to the CEO's salary are approved by the Trust Board. The Trust has a Pay Policy and all changes to pay must be consistent with this, any variations to this must be raised with the CEO and reported to the Trust Pay Committee.

The Trust follows the National Joint Council (NJC) and Teachers Pay and Conditions guidance.

Further information can be found in the following Trust Policies:

- Travel and Subsistence Policy
- Special Leave of Absence Policy
- Applicable Local Authority Maternity/Paternity/Adoption/Shared Parental Leave Policy

Fixed Assets

All expenditure on estates, IT equipment, IT infrastructure and related IT developments must be approved by the Chief Operating Officer, who will liaise with the Chief Finance Officer and Chief Executive to ensure that investment is consistent with the Trust's overall Estates and IT strategy.

Asset register

Assets purchased with a value over the academy's capitalisation limit of £3,000 must be capitalised. Assets below this value will be charged to the income and expenditure in the year of purchase.

The Head of Finance will review the Asset Register on a monthly basis to ensure completeness and identify any discrepancies. Any discrepancies over £3,000 must be reported to the Chief Finance Officer.

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 and the Trust's financial system
- Support insurance claims in the event of fire, theft, vandalism or other disasters
- Security and disposal of assets.

Security of assets

Assets must be secured by means of physical and other security devices. All the items in the asset register should be permanently marked as the Trust's property and there should be a regular (at least annual) count by someone other than the person maintaining the register. Discrepancies between the physical count and the amount recorded in the register should be investigated promptly and, where significant, reported to the Chief Finance Officer. Inventories of Trust property should be kept up to date and reviewed regularly. Where items are used by the Trust but do not belong to it this should be noted.

Loan of assets

Items of Trust property, except staff and student laptops or tablets, must not be removed from academy premises without the authority of the Principal.

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 Trust's auditors.

Disposals

Items which are to be disposed of by sale or destruction must be authorised for disposal in accordance with the Finance Regulations in Appendix 1 and, where significant, should be sold following competitive tender. When disposing of assets the Trust must achieve the best price that can reasonably be obtained and maintain the principles of regularity, propriety and value for money. As a result, disposal of equipment to staff is not encouraged, as it may be more difficult to evidence the Trust obtained value for money in any sale or scrapping of equipment.

All disposals of land or buildings must be agreed in advance with the DFE.

Leases

All leases must be approved by the Chief Finance Officer. The Trust is able to enter into operational leases and some finance leases as outlined in the Academy Trust Handbook. Prior to entering into the lease the Trust must ensure the lease maintains the principles of value for money, regularity and propriety.

Depreciation Policy

The Trust will depreciate fixed assets in line with recognised accounting standards, best practice and DfE guidelines. Depreciation rules will be approved by the board in advance of preparing the annual statements. The current policy is shown in Appendix 6.

Companies Policy

The Trust will not form any companies, subsidiaries or joint ventures without the approval of the Trust Board.

Investments

The Trust is firmly committed to ensuring that all funds under its control are administered in such a way as to maximise return whilst minimising risk. Trustees do not consider the investment of surplus funds as a primary activity, but rather a requirement for the effective management of funds.

Trustees' management of cash flow should ensure that there are always sufficient funds in the main bank account to cover operational costs. The Trust will seek to ensure that any cash not required for operating expenses is placed on deposit at the most favourable rate.

Where significant funds have been accumulated that are not required in the short term for operational expenses, or as part of a planned surplus for a specific project, The CEO and Chief Finance Officer may consider the investment of these funds in order to generate a longer term income or capital fund. If this is proposed the action will go to the Trust Board for approval.

A formal investment and treasury management policy has been adopted by the Trust which gives significant detail around these transactions.

Reserves Policy

The Board of Trustees reviews the reserve levels of the Academy Trust annually at the year-end and as part of its budget planning process. This review encompasses the nature of the income and expenditure streams, the need to match income with commitments and the nature of reserves. Trustees determine what the level of uncommitted reserves should be. The aim is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance.

As part of its monitoring of in-year financial performance, the Board of Trustees reviews the forecast impact on reserves and considers this as a part of its medium and long term financial planning.

The targeted level of reserves required is considered to be 5% of total income (excluding fixed asset and student specific grants such as pupil premium). If the Trust's free reserves falls short of this target, the Trust will continue to attempt to make cost savings to increase the reserves to the required level sustainably, whilst ensuring that the trajectory of Academy improvement is maintained.

If an Academy transfers out of the Trust the reserves that transfer will be calculated as follows:

- Where Trust reserves are below the target set out above, the academy will transfer out with nil reserves.
- Where Trust reserves are above the target set out above, the Academy will transfer out with its share of the level of reserves that are above the target, pro rated based on pupil numbers on the day of transfer.

Reserve funds will be held on deposit in an interest bearing account in a UK regulated bank or in other instruments and investments as agreed from time to time by the Board.

Bad Debts

For any outstanding debts to the Trust, these will be chased and dealt with by the central finance team. The Trust has payment terms with debtors of 14 days unless specified dates apply in any signed lease documentation.

The following escalating procedures will apply for any outstanding debts:

1) Less than 30 days overdue – No action
2) 30 to 45 days overdue – The customer will be contacted by the central finance team through phone calls and emails.
3) 45-60 days overdue – Letters and final reminders will be sent to the customer informing of the overdue debt
4) 60-90 days overdue – The central team will continue to chase by phone calls and emails. Advice will be sought from the Trust's legal partners and legal letters will be sent to the customer if appropriate.
5) Over 90 days overdue – Further advice will be sought from the Trust's legal partners and the Trust will either continue to chase through previous communications or if appropriate the debt will be formally escalated to external debt collection agencies.

For any debts over the delegated limits (listed below) in the Academy Trust Handbook, the procedures for debt recovery and for the write-off of any debt which is deemed to be irrecoverable is covered by the Academy Trust Handbook. The ATH delegated limits are:

- 1% of total annual income or £45,000 (whichever is smaller) per single transaction
- cumulatively, 2.5% of total annual income (subject to a maximum of £250,000) in any financial year per category of transaction for trusts that have not submitted timely, unqualified accounts for the previous two financial years. This category includes new trusts that have not had the opportunity to produce two years of audited accounts.
- cumulatively, 5% of total annual income (subject to a maximum of £250,000) in any financial year per category of transaction for trusts that have submitted timely, unqualified accounts for the previous two financial years.

Tax

The Trust will account for VAT strictly in compliance with the rules and regulations applicable at that time. It is the responsibility of the Chief Finance Officer to ensure compliance with VAT regulations. The Head of Finance will amalgamate the VAT 126 from each Academy and the Central Team and complete the VAT 126 Claim monthly following the Academies Month end procedures. The Chief Finance Officer will ensure that Corporation Tax returns are completed on time and in accordance with legislation.

The Trust is committed to ensuring payroll arrangements fully meet tax obligations and always comply with the relevant prevailing HM Treasury's guidance.

Insurance

The academy trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business, and provides cover up to £10,000,000. It is not possible to quantify the trustees' and officers' indemnity element from the overall cost of the RPA scheme membership.

Where additional insurance is required (for example when self-delivering building projects) legal advice will be sought to ensure adequate cover is in place to mitigate the financial exposure of the Trust.

The Chief Finance Officer will review all risks annually to ensure the cover available and the sums insured are adequate. The Trust will notify the insurers of any new risks or any other alterations affecting existing insurance.

The Trust will not give any indemnity to a third party. The Trust will immediately advise the insurers of any accident, loss of other incident which may give rise to an insurance claim.

In line with the *Academy Trust Handbook (6.15)*, the Trust **must not pay any cyber-crime ransom demands under any circumstances**, and any such incident must be managed through the Trust's incident-response and reporting procedures.

Monitoring Outcomes & Review

Outcomes will be monitored and reviewed by regular internal checks and scrutiny by senior management. Effectiveness of this policy and any associated procedures will also be monitored by the Trust Board, supported by External Audit, including the Regularity Audit, and regular testing by Internal Audit. Audit results will be presented by regular written reports to the Audit Committee. Findings and recommendations will be used to revise this policy and associated procedures, and this will be undertaken by referring any recommendations for changes to the Trust Board.

Key Performance Indicators of the success of this policy are:

- No inappropriate use of money
- Adherence to budgets
- Value for Money being demonstrated
- Expenditure targeted on key priority areas
- Timely reports to Board, DfE and others
- Up to date, accurate records.

Appendix 1 – Delegation and Approval

Expenditure approval thresholds excluding SCA expenditure

	Duty	Value	Authority
1	Ordering Goods and Services (raising requisitions) Tendering procedures as per appendix 2	up to £500	Budget Holder reviewed by Finance Assistants
		£500-£5,000	Operations Manager/Finance Manager/Heads of central services (Marketing, Governance and Operations). For a limited and specific time period (to be documented), Finance Business Partners (e.g. to cover for absences)
		£5,001- £10,000	Principal Directors of central services (HR, COO)
		£10,001 - £20,000	Head of Finance
		£20,001 - £35,000	Chief Finance Officer
		£35,001-£75,000	CEO
		Over £75,000	Trust Board
2	Signatories for Cheques and Payment authorisations for Academies (inc BACS but not payroll)	Any	Two signatories in line with bank mandates.
3	Direct Debits	Any	Two signatories in line with bank mandates.
4	Payroll BACS	Any	Any one of the Trust Leadership Team
5	Signatories for DFE grant claims	Any	CEO Chief Finance Officer
6	Disposal of Assets	Up to £1,000	Head of Finance
		£1,001- £5000	Chief Finance Officer
		Over £5,000	CFO / CEO reporting to Trust FOP Committee
7	Writing off Of "Bad Debt"	Up to £1,000	Head of Finance
		Over £1,000	CFO / CEO with referral to Trust FOP Committee Annually
8	Purchase or Sale of freehold Property	Any	Trust Board/ DFE
9	Granting or taking up of any Leasehold tenancy or agreement exceeding 3 years	Any	Trust Board / DFE
10	Raising Invoices to Collect Income	Any	Operations Manager with referral to central finance team
11	Expense Claims	Against Budget Holder delegated budget	Budget Holder within delegated purchasing limits
		Budget holder claimant	Operations Manager within delegated purchasing limits
12	Purchase Cards	Any	Approval in line with delegated purchasing limits

School Condition Allowance (SCA) expenditure approval thresholds

The below SCA approval thresholds apply to the capital programme established by the Estates Team which has been submitted and approved by Trustees

	Duty	Value	Authority
1	Capital Investment Plan Approvals	up to £5,000	Estates Project Manager
		£5,001- £10,000	COO
	Ordering Goods and Services (raising requisitions)	£10,001 - £20,001	Head of Finance
		£20,001 - £50,000	Chief Finance Officer
	Tendering procedures as per appendix 2	£50,001-£150,000	CEO
		Over £150,000	Trust Board

Appendix 2 – Budget Holder Reports and Purchasing

Budget Holders

Budget holders will be informed of the budget available to them by the Principal/Operations Manager once the budget is finalised. It is the responsibility of the budget holder to manage the budget and to ensure that the funds available are not overspent. Budget holders can run a print detailing actual expenditure against budget from the system which is recommended to be done on a monthly basis. If any budget holder would like assistance running or reviewing the report, please contact the Academy Operations Manager or the central finance team who will be happy to help.

All outstanding orders are shown on the budget monitoring reports as commitments. To ensure that the level of commitments is still appropriate, all budget holders should review their budget holder report for appropriateness on a monthly basis. Each Budget Holder should ensure that the items reflected are still expected. If items are no longer needed, the Budget Holder should contact the central finance team who will cancel the order on the finance system.

Purchasing

Routine purchases of up to £500 can be ordered by budget holders. In the first instance, a supplier should be chosen from the list of approved suppliers maintained by the Central Finance team. A purchase requisition must always be completed detailing the product price and information before any order is placed. This commitment will then be authorised prior to purchase by the budget holder.

If the budget holder considers that better value for money can be obtained by ordering from a supplier not on the approved supplier list, a new supplier request must be completed and submitted by the staff member to the central team outlined in the new supplier section below. All new suppliers must be set up on the system and have an approved purchase order before any orders are placed.

All orders must be made, or confirmed, using an official order requisition in Access. Requisitions must be authorised electronically by the budget holder who must check that sufficient budget is available. When the Finance Assistants convert the requisition to a purchase order, a secondary check will take place to ensure adequate budgetary provision exists before processing. The purchase order will then be approved by the delegated authority.

All purchase orders must be approved on access by the delegated authority prior to finance placing any order with the supplier.

The Finance Assistants must make appropriate arrangements for the delivery of goods to the Academy. On receipt, the Budget Holder is responsible to ensure that a detailed check of the goods received against the goods received note (GRN) or purchase order is undertaken and a record of any discrepancies between the goods delivered and the GRN/PO is submitted to the central finance team. Discrepancies should be notified to the finance assistants who will discuss the discrepancies with the supplier of the goods.

If any goods are rejected or to be returned to the supplier, the Academy should contact the supplier to make arrangements and keep a detailed record of the process. Updates should be given to the budget holder and central finance team on a regular basis.

All suppliers should be notified to send all invoices to the relevant finance email (as detailed below) in a timely manner.

Armthorpe	finance.armthorpe@consilium-at.com
Central Team	finance@consilium-at.com
Ellesmere Park High School	finance.ellesmere@consilium-at.com
Heworth Grange School	finance.heworth@consilium-at.com

Moorside High School	finance.moorside@consilium-at.com
Thornhill Academy	finance.thornhill@consilium-at.com
Washington Academy	finance.washington@consilium-at.com
Wyvern Academy	finance.wyvern@consilium-at.com
Consilium Evolve	finance.evolve@consilium-at.com
CFPL	finance.cfpl@consilium-at.com

If any paper copies of invoices are received at the individual academies, the Academy must scan and send these to the finance team on receipt. The Finance Assistants will check all details are correct with the order and will then input the invoices onto the system and attach a scan of supporting documentation. Once uploaded the invoice will be authorised by the nominated authoriser based on limits set in Appendix 1.

Every two weeks, or more often if required, the Finance Manager and Head of Finance will review the invoices due for payment via BACS. The BACS payment will be authorised by two of the nominated authorisers (See Appendix 1). There is segregation of duties between the authorising of orders and the authorising of payments.

At least three quotations should be obtained for all orders over £10,000, to identify the best source of the goods/services. Details of quotations obtained should be attached to the requisition and then retained by the central Finance Office for audit purposes. All goods/services ordered with a value over £50,000, or for a series of contracts which in total exceed £50,000 must be subject to formal tendering procedures. Competitive tendering can be considered below this figure, in the interests of best value.

Orders are not used to purchase items for private and personal use.

New Supplier Process and Changes of Supplier Details

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 with the central finance team/Operations Manager. A new supplier request form must be completed and submitted by the staff member to the central team's supplier tracker. The request will then be reviewed and the supplier set up by the central finance team. All new suppliers must be set up on the system and have an approved purchase order before any orders are placed.

In the event of changes to any supplier details, a supplier amendment form must be completed and submitted to the tracker held by the Head of Finance attaching any external documentation. Checks on the details will be undertaken by the central finance team and this will then be reviewed by the Head of Finance.

Appendix 3 – Competitive Tendering for Larger Purchases Policy

Purchasing

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

- Probity, it must be demonstrable that there is no corruption or private gain involved in the contractual relationships of the Trust;
- 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.
- Value for Money, the Trust shall aim for:
    - Economy, minimizing the cost having regard to appropriate quality
    - Efficiency, an appropriate relationship between outputs and costs
    - Effectiveness, the achievement of the intended outputs

Routine purchasing

Routine purchases up to £10,000 can be requested and are authorised as per the scheme of delegation. A quote or price must always be obtained before any order is placed. The central finance team have a list of regularly used suppliers, however, if the purchaser considers that better value for money can be obtained by ordering from a supplier not regularly used by the Academy then this must be discussed with the finance team.

Please see Appendix 1 for a Summary of Financial Authorisation Levels and the procedures to be followed for ordering goods.

Tender limits

Delegated Duty	Value	Delegated Authority	Method
Ordering Goods and Services Including capital expenditure and lease commitments	Up to £10,000	As per delegated purchasing limits Three quotes for purchases under £10,000 may be requested at the discretion of the HOF or CFO. A framework may be requested to be used at the discretion of the HOF or CFO.	Orders must be placed and approved electronically on the finance ordering system prior to any order being placed with the supplier.
	£10,001 - £75,000	As per delegated purchasing limits A framework may be requested to be used at the discretion of the HOF or CFO.	At least three written quotes to be or framework to be used prior to any order being placed with the supplier.
	£75,001 +	As per delegated purchasing limits	Formal tendering process or framework to be used

Forms of tender

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 budget holder must discuss and agree with the Chief Finance Officer 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,
- risk regarding confidential information provided in the tender that should not be uploaded into the public domain for safety and security purposes.

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 or high health and safety/pupil safety/organisational risks exists,
- additional deliveries by the existing supplier are justified.

The tendering method must be agreed in advance with the Chief Finance Officer or delegated authority. For any restricted, negotiated tenders or proposed direct appointments (known as Non Standard Procurement Route), an NSP form will be completed outlining the following:

- Project details
- Reasoning for proposed procurement route

The form will be sent for approval by Chief Finance Officer and/or CEO.

Preparation for tender

Full consideration should be given to:

- objective of project
- overall requirements
- technical skills, qualifications and capabilities required
- after sales service requirements
- form of contract.

Invitation to tender

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. 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;
- Explanation of how the tenders will be evaluated
- Terms and conditions of tender and;
- Form of response.

The invitation to tender should state the date and time by which the completed tender document should be received by the academy.

For any tenders received electronically these should be submitted to the designated email address outlined in the invitation to tender and clearly marked to indicate they contain tender documents. For any hard copy tenders received the envelope should be time and date stamped on receipt and stored by the designated tender issuer securely prior to tender opening. Any tenders received after the submission deadline should not normally be accepted and must be approved by the Chief Finance Officer.

Aspects to consider

Financial

- Like should be compared with like and if a lower price means a reduced service or lower quality this must considered when reaching a decision.
- Care should be taken to ensure that the tender price is the total price and that there are no hidden or extra costs.
- Is there scope for negotiation?

Technical/Suitability

- Qualifications of the contractor
- Relevant experience of the contractor
- Descriptions of technical and service facilities
- Certificates of quality/conformity with standards
- Quality control procedures
- Details of previous sales and references from past customers.

Other Considerations

- Insurances
- Pre sales demonstrations

- After sales service
- Financial status of supplier and review of submitted accounts on public record. Suppliers in financial difficulty may have problems completing contracts and in the provision of after sales service.

Tender Procedures

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. 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.

Opening and Evaluating Procedures

1. All tenders submitted should be opened at the same time and the tender details should be recorded in the presence of two people, one being the tender issuer.
2. A separate record should be established to record:
    - the nature of the goods or materials to be supplied or the works or services to be provided;
    - the name of each supplier or sub-contractor quoting/tendering;
    - the date and time of receipt of each quotation/tender;
    - the date and time of opening of the quotations/tenders;
    - the amount of each quotation/tender;
    - evaluation criteria and results
    - the name of all persons present at the opening of the quotations/tenders.

This record must be signed by two people present at the tender opening.

Tenders will be evaluated on both price and quality to determine the most advantageous offer. The scoring methodology will be determined by the tender issuer and bespoke to the contract required. This may include using a weighted percentage or evaluation based on criteria such as:

- Total cost
- Resourcing
- Implementation
- Relevant experience and expertise.

Awarding Procedures

For contracts over £50,000 a Tender Analysis and Recommendation report will be submitted to the Chief Finance Officer and Chief Executive which outlines the recommended appointment. The report will include the following items;

- Background of Project
- Breakdown of Procurement Strategy
- Returns received
- Recommendations

Contracts will be approved by the designated authority as set out in the Tender limit table above. Full records should be kept of all criteria used for evaluation and decisions made. Depending upon tender authorisation thresholds, the Tender Analysis and Recommendation report will be prepared for the Trust Board highlighting the relevant issues and decisions made or recommending a decision for Committee approval.

Dependent upon the service required, once a decision is made there may be a standstill period for a short (at least 10 calendar day) pause between the point when the contract award decision is notified to bidders and the final contract conclusion, during which time suppliers can challenge the decision.

Capital Monitoring

Where required by the terms and conditions of specific grants, submission of project details and spend will be provided to the relevant body.

Appendix 4 – Income

The Chief Finance Officer and the Head of Finance ensure that estimates for all income are included in the budget and that all income due to the Academy is collected.

All lettings are carried out in accordance with the Academy's local lettings policy.

The Finance Manager/Operations Managers and Head of Finance identify income due to the Academy; The Finance Assistants/ Operations Managers are responsible for collecting and banking the income. Where invoices are required, they are issued within 30 days and in accordance with V.A.T. requirements.

It is recommended that all parents use Parent Pay across the Trust. For any cash income received, a receipt is issued with a signature. Other records are maintained for small amounts of income and remittances are held by the finance team.

Cash and cheques are locked in the fireproof safe and do not exceed the agreed insurance limits.

All income is banked intact and reconciled against the receipts. Banking / Cash collection should take place on a regular basis.

Appendix 5 – Accounting Policies

All accounting polices are schedules in the annual financial statements and are to be reviewed annually by Trustees in line with statutory reporting requirements.

Appendix 6 – Summary of financial freedoms and delegations per the Academy Trust Handbook 2025

Type of transaction	Delegation
Novel, contentious and repercussive transactions	DfE agreement required 5.6
Staff severance and compensation	DfE agreement required if £50,000 or more before tax 5.11 and 5.16
Ex gratia payments	DfE agreement required 5.18
Writing-off debts and losses (subject to £250,000 ceiling)	DfE consent required if exceeds 1% of annual income or £45,000 individually; or 2.5% or 5% of annual income cumulatively 5.19 and 5.20
Entering into indemnities (beyond the normal course of business), guarantees or letters of comfort (subject to £250,000 ceiling)	DfE consent required if exceeds 1% of annual income or £45,000 individually; or 2.5% or 5% of annual income cumulatively 5.19 and 5.20
Acquiring freehold land and buildings	DfE agreement required 5.22
Disposing of a freehold on land and buildings	DfE agreement required 5.22
Disposing of heritage assets	DfE agreement required 5.22
Other asset disposals	Trust has full discretion 5.24
Taking up a finance lease not on the DfE approved list	DfE agreement required 5.25
Taking up a leasehold on land and buildings	DfE agreement if lease term 7 years or more 5.25
Taking up any other lease	Trust has full discretion 5.24
Granting a lease on land and buildings	DfE agreement required 5.25
GAG carry forward	No limits if trust eligible 5.29
Pooling by trusts with multiple academies	No limits (except PFI) if trust eligible 5.30
Loan, overdraft	DfE agreement required 5.32
Credit cards (for business use)	Trust has full discretion provided charges not incurred 5.32
Supplies to the trust from related parties	DfE agreement required over £40,000 and over associated limits in 5.41 unless exempt as set out in 5.41