



Cambridge Meridian Academies Trust

Financial Administration & Control Handbook

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Part One

CAMBRIDGE MERIDIAN ACADEMIES TRUST

Introduction

The purpose of this document is to ensure that the Cambridge Meridian Academies Trust (CMAT) develops and maintains systems of financial control that 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 our funding agreements with the Education Funding Agency (EFA).

Each academy within CMAT must comply with the principles of financial control outlined in the academies guidance published by the EFA in the academy funding agreement and the “[EFA] Academies Financial Handbook”. This CMAT handbook expands on those and provides detailed information on the accounting procedures. These financial regulations are aimed at academy members, trustees, the accounting officer, the chief operating officer, clerks to the board of trustees, academy councils and the academy auditors and **must** be read by all staff involved with financial systems and copies made available as necessary. It also provides a standardised approach to all finance related tasks within CMAT and its academies.

Compliance with the policy is mandatory and any contravention of procedures must be brought to the attention, in the first instance, of the chief operating officer or internal audit manager.

All staff who deal with financial matters, have performance management reviews and records are kept on the Performance Management Portal. All subsequent duties are recorded and a note kept of who can carry out the various duties in the absence of the accounting officer, the chief operating officer, principals, finance officers and the finance assistants.

All staff are aware of the trust’s whistle-blowing policy and to whom they should report any concerns regarding malpractice and wrongdoing. Any suspected financial irregularity will be reported to the Department for Education (DfE).

The trust’s finance policy and scrutiny committee will be responsible for reviewing all controls and procedures of financial systems operating within the trust. A self-assessment of the financial administration and management within each academy is carried out at all levels by the internal audit team who compile reports for this committee and the chief operating officer.

I. Organisation

CMAT is a multi-academy trust. The trust is limited by guarantee (company registration number 7552498 incorporation date 4th March 2011) with exempt charitable status and all

academies within the trust are governed by one trust and the directors/trustees/members. Extract from articles dated 5th March 2014 are below:

“The number of trustees shall be not less than three but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum.

Subject to Articles 48-49, the trust shall have the following trustees:

- (a) Up to 1 appointee of the University of Cambridge;
- (b) The executive principal(s);
- (c) Up to 8 community trustees elected pursuant to Article 50;
- (d) Up to 5 education trustees elected pursuant to Article 50AA; and
- (e) A minimum of 2 parent trustees if appointed pursuant to Articles 53-55.

The trust may also have any co-opted trustees appointed under Article 58.

Each trustee must be a member or must have agreed in writing following an invitation by other trustees to become a member and must become one without delay, save that this article does not apply to any co-opted trustees. Each member must sign the register of members upon becoming a member.

Future trustees shall be appointed or elected, as the case may be, under these articles.

The directors will establish the following sub-committees:

- Executive Finance Committee¹
- Executive Personnel Committee
- Executive Premises Committee”

The board of trustees should identify the skills they need and address any gaps in their skills through recruitment or training.

CMAT must use Edubase to notify the DfE of the appointment and vacation of the position of member, trustee, academy councillor, chair of trustees, chairs of academy councils, accounting officer and chief operating officer.

¹ Renamed Finance Policy and Scrutiny Committee

2. Roles and Responsibilities

The main responsibilities of the trust are prescribed in the funding agreements with the EFA. The key responsibilities include:

- Ensuring that grants from the EFA are used only for the purposes intended
- Approval of the annual budget
- Balancing its budget from year to year
- Production of an annual report and accounts
- Appointment of auditors
- Appointment of an executive principal/officer (as accounting officer)
- Appointment of the chief operating officer in conjunction with the executive principal
- Ensure regularity, propriety and value-for-money in relation to the management of public funds
- Ensure information submitted to the DfE and EFA that affects funding is accurate and compliant
- Implement reasonable risk management recommendations that are made by the auditors

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

The trust has defined the responsibilities of key committees and staff involved in the administration of academy finances to avoid the duplication or omission of functions and to provide a framework of accountability for trustees and staff. The committees that have responsibilities relating to the academy finances are as follows:

- Academy Trust Board
- Finance Policy and Scrutiny Committee

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

2.1 Role of the Executive Principal

The executive principal has overall responsibility for the trust's activities including financial activities. As the accounting officer for the trust, the executive principal is personally responsible for:

- Propriety and regularity of the public finances for which they are answerable. This covers standards of conduct, behaviour and corporate governance
- Keeping of proper accounts
- Prudent and economical administration
- Avoidance of waste and extravagance

- Ensuring value for money
- Efficient and effective use of all available resources
- Management of opportunities and risks

The role of executive principal and therefore accounting officer must not rotate.

The essence of the role is a personal responsibility for:

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

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

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

The academy trust's accounting officer is required to complete and sign a short statement each year explaining how the trust has secured value for money. This must be sent to the EFA and be published on the trust's website. It will also be placed on the DfE's website.

In practice, much of the financial responsibility is delegated to the chief operating officer but the executive principal still retains responsibility for:

- Confirming new staff appointments within the authorised establishment
- Authorising orders, contracts and signing cheques / releasing payments in conjunction with other authorised signatory in accordance with the agreed scheme of delegated financial authority
- Preparing budget plans in conjunction with the chief operating officer / academy principals
- Reviewing reports to the trust giving details of income, expenditure and commitments to date
- Ensuring any actions resulting from the annual audit are implemented

2.2 Role of the chief operating officer

The trusts chief operating officer, works in close collaboration with the executive principal through whom they are responsible to the trustees. The main responsibilities of the chief operating officer are:

- Day to day management of financial issues including the establishment and operation of a suitable accounting system for the trust's central budget, individual Academies and trust Services.
- Management of the academy financial position at a strategic and operational level within the framework for financial control determined by the trustees
- Preparation of budget plans in conjunction with the trust finance accountants, executive principal and principals
- The maintenance of effective systems of internal control
- Maintenance of adequate fixed asset registers
- Liaising with Auditors to ensure that the annual accounts are properly presented and adequately supported by the underlying books and records of the trust
- The timely preparation of management accounts, including income and expenditure reports, cash flow forecasts and a balance sheet
- Ensuring forms and returns are sent to the EFA in line with the timetable in the EFA guidance
- Additional roles, some of which are not directly finance related, as outlined in the chief operating officer job description

2.3 The Roles of finance officers and budget holders

Other members of staff, primarily the finance officers, finance assistants and departmental budget holders, will have some financial responsibilities and these are detailed in following sections of this handbook.

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

3. Delegated Authority to the Academy Trust

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

Liabilities and write-offs

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

- 1% of total annual income or £45,000 (whichever is smaller) per single transaction
- New academies that have not had the opportunity to produce two years of financial statements and existing academies that do not submitted timely, unqualified financial returns for the previous two financial years, can write off whole cost centre debts. These debts must be cumulatively below 2.5% of the total annual income for the previous financial year.
- Academies that have submitted timely, unqualified financial returns for the previous two financial years may also write off whole cost centre debts. These debts must be cumulatively below 5% of the total annual income for the previous financial year.

In relation to these limits, write offs are calculated before successful claims from an insurer. Total income is defined as grant income as disclosed in the trust's last set of audited accounts.

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

Severance Payments

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

- Severance should only be an option if the chance of successes at a tribunal is lower than 50%.
- The amount of severance must be justifiable. This figure must be less than what would be expected to be awarded if the claimant won the employment tribunal.
- Severance should not be granted for gross misconduct, unless the claimant will win the tribunal due to procedural errors in employment law.
- Severance should not be granted for poor performance if taking someone through performance management and improvement procedures would be cheaper.

When severable compensation payment above £50,000 is entitled, prior approval is required from HM Treasury via the EFA.

For the avoidance of doubt, the following examples illustrate where HMT approval would be required:

- Statutory/contractual payment of £40k + enhancement of £20k = HMT approval not required
- Statutory/contractual payment of £60k + enhancement of £20k = HMT approval not required
- Statutory/contractual payment of £60k + enhancement of £50k = HMT approval required for the £50k enhancement only

Asset sales, leases and tenancy agreements

There are two types of lease:

- Financial leases, involve borrowing.
- Operating leases, do not involve borrowing.

The trust must seek to obtain prior written approval from the Secretary of State, via the EFA, for the following leasing transactions:

- Taking up a finance lease on any class of asset for any duration from another party, as this would represent borrowing
- Taking up a leasehold or tenancy agreement on land or buildings from another party for a lease term of more than five years
- Granting a leasehold or tenancy agreement on land or buildings to another party for a lease term of more than five years

Operating leases on assets that are not land and buildings do not require the Secretary of State's approval. Leases should be disclosed in trusts' annual accounts in accordance with the academies accounts direction.

The trust must ensure that any lease arrangement maintains the principles of regularity, propriety and value for money, whether or not the approval of the Secretary of State is required.

4. Register of Interests

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

The register is open to public inspections and is published on the CMAT website. It should include all business interests such as directorships, share holdings or other appointments of influence within a business or organisation which may have dealings with CMAT. The disclosures should also include business interests of relatives such as a parent or spouse or business partner where influence could be exerted over a, director, academy councillor or a member of staff by that person.

The existence of a register of business interests does not, detract from the duty of disclosure whenever it may be relevant to do so. Where an interest has been declared, directors, academy councillor and staff should withdraw from that part of any committee or other meeting.

A pecuniary interest form can be found [here](#).

5. Process for Independent Checking

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

The internal audit team will undertake the process for independent checking of financial controls, systems, transactions and risks and report directly to the trust executive finance committee, business resource manager.

The internal audit team will follow an agreed programme of reviews to ensure that financial transactions have been properly processed and that controls are operating as laid. A report of the findings will be presented to the executive finance committee and the individual academies within the trust.

5.1 Investigation of Fraud or Irregularity

Responsibility for identifying fraud and irregularity fall to all members of an academy.

The trust is responsible for ensuring appropriate action is taken where fraud and irregularity is suspected or identified. The fraud policy in [Appendix 5](#) outlines the procedures to be adopted in such an event.

All instances of fraud or theft committed against the trust, whether by employees or academy councillors or third parties, above £5,000 must be reported by the trust to the EFA. Any unusual or systematic fraud, regardless of value, must also be reported.

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

5.2 Appointment of External Auditors

The trust is required to submit the accounts for an annual audit. This means that external auditors need to be appointed, by putting out to tender. The appointment is for a one year period renewable up to three years at the confirmation of the executive finance committee.

- The financial statements have been prepared in accordance with the financial reporting and annual accounts requirements issued by the EFA
- Proper accounting records have been kept by the academy throughout the financial year
- Grants made by the EFA have been applied for the purposes intended

The executive finance committee of the trust should arrange for on-going monitoring of the performance of the external auditors.

6. Accounting System

The trust is registered annually under the 1988 Data Protection Act. The registration will require the single data controller to be the chief operating officer.

All the financial transactions of the trust must be recorded on the PS Financials accounting system operated by the finance departments in each academy.

Financial records are required to be kept for at least six years. This is a requirement laid down by Her Majesty's Revenue and Customs (HMRC).

6.1 System Access

The PS Financials accounting system is protected by access permissions to authorised staff. Access permissions should be strictly controlled and individual log-ins and passwords should not be compromised. Access to PS Financials should be restricted and the chief operating officer is responsible for determining the access levels for all members of staff.

All leavers with previous access to PS Financials must have their access permissions formally removed by the ICT department.

6.2 Backup Procedures

The chief operating officer and the ICT Systems manager should also prepare a disaster recovery plan in the event of loss of accounting facilities or financial data. This should link in with the annual assessment made by trustees of the major risks to which the Academies is exposed to and the systems that have been put in place to mitigate those risks.

6.3 Transaction Processing

All transactions input to the accounting system must be authorised in accordance with the procedures specified in this document. Any unusual or long outstanding reconciling items will be brought to the attention of the chief operating officer.

7. Financial Planning

The trust should prepare both medium term and short-term financial plans. Medium term financial plans are calculated for the next three years.

7.1 The Strategic Development Plan

The Strategic Development Plan (SPD) is concerned with the future aims and objectives of the trust and how they are to be achieved. That includes matching the trust objectives and targets to the resources expected to be available. Plans should be kept relatively simple and flexible. They are the “big picture” within which more detailed plans may be integrated.

Academies can decide their own SDP's independently but are encouraged to show regard to annual DfE guidance.

Each year the executive principal will propose a planning cycle and timetable which allows for:

- A review of past activities, aims and objectives –
 - “Did we get it right?”
- Definition or redefinition of aims and objectives –
 - “Are the aims still relevant?”
- Development of the plan and associated budgets –
 - “How do we go forward?”
- Implementation, monitoring and review of the plan –
 - “Who needs to do what by when to make the plan work and keep it on course”
- Feedback into the next planning cycle –
 - “What worked successfully and how can we improve?”

School improvement plans (SIP) will outline objectives for the following two years as well. The plan will also include the estimated resource costs, both capital and revenue, associated with each objective.

7.2 Annual budgets

Annual budgets will reflect the best estimate of the resources available to the each academy for the forthcoming year and how those resources are to be utilised by each academy. There should be a clear link between the SDP objectives and the budgeted utilisation of resources.

The budgetary planning process will incorporate the following elements:

- Forecasts of the likely number of pupils to estimate the amount of EFA grant receivable
- Review of other income sources available to the individual Academies within the trust to assess likely level of receipts
- Review of past individual performance against budgets to promote an understanding of the trust cost base
- Identification of potential efficiency savings
- Review of the main expenditure headings in light of the SDP objectives and the expected variations in cost, e.g. pay increases, inflation and other anticipated changes
- Liaising with external agencies including major suppliers to ensure that the trust's best financial interests are met

Individual academy plans and budgets will need to be revised until income and expenditure are in balance. Comparison of estimated income and expenditure will identify any potential surplus or shortfall in funding.

Short falls may result in cutbacks and deferring projects to a later date. Surplus may result in funds being held in contingency or carried forward to invest in future development.

The chief operating officer and executive principal are responsible for preparing and obtaining approval for the annual budget of each academy in the trust. The budget must be approved by the trustees. Budgets should be seen as a working document which may need revising throughout the year as circumstances change.

7.3 Monitoring and Reviews

Budget monitoring reports are prepared by each academy. 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.

8. Payroll

The main elements of the payroll system are:

- Staff appointments
- Payroll administration
- Payments

8.1 Staff Appointments

There is an approved, fully budgeted, annual staffing plan which clearly sets out the responsibilities of each academy in the trust and the principal at each academy must ensure that adequate budgetary provision exists for any establishment changes.

The trust must satisfy the conditions in the handbook and obtain the required approval before making a binding commitment to staff.

Directors of the trust have the authority to appoint the executive principal, principals and chief finance officer.

All personnel changes must be notified to the finance officers immediately. The executive principal is responsible for ensuring that the trust's pay policy is implemented.

The executive principal is responsible for ensuring that the statutory obligations around the safer recruitment policy and procedures are administered and nominated staff in each academy will be responsible for maintaining accurate records of all staff employed at their academy.

Personnel information access is strictly limited to authorised officials only.

It will also be held separately on the personnel module of the management information system, for which relevant registration under the 1998 Data Protection Act is held.

8.2 Payroll Administration

The trust payroll is administered by Education Personnel Management (EPM) as part of the trust's subscription to the HR Admin and Payroll services. This includes all amendments to payroll data, e.g. appointments, resignations, pay changes, overtime, and all of these are authorised by the principal at each academy.

All supply teacher, casual working and overtime claims are checked and confirmed by a budget holder.

An overtime claim form can be found [here](#) and for more information regarding the reimbursement scheme see [Appendix 7](#)

8.3 Payroll Payments

All staff are paid monthly by bank credit transfer to their bank accounts. The amounts paid are summarised on the EPM payroll reports. Finance officers undertake monthly reconciliation between expenditure and costs. Variations are investigated and reported to the principal and queries raised immediately with EPM.

All payments not via payroll are subject to completion of a self-employment questionnaire using the HMRC online self-employment evaluation tool.

9. Procurement

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

- **Probity:** it must be demonstrable that there is no corruption or private gain involved in the contractual relationships of the 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.

For more information on procurement policy please follow the link [here](#)

9.1 Business Charge cards

Business Charge cards are held by named cardholders in each academy. Each cardholder is personally responsible for the safe custody of their card. The cardholder is liable for the integrity of all transactions and proper and controlled use of the procurement card.

10. Other Matters

Services provided by sponsors and sponsor-related bodies

The trust must ensure that any contracts for services provided to the trust are properly procured and present value for money.

Irregular or improper transactions

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

Managing surplus General Annual Grant (GAG)

It is important that the grant is spent as needed to avoid excess calls on exchequer funding and public borrowing. The EFA previously set limits on the amount of GAG that could be carried forward from one year to the next. These limits have now been removed so that the trust has the freedom to keep money aside for when it is needed most and to build up reserves, for example for long-term capital projects.

The DfE expects academy trusts to use their allocated funding for the full benefit of their current pupils. Therefore, it is important that, if the trust has a substantial surplus, it has a clear plan for how it will be used to benefit the pupils.

The EFA will also verify the sums of unspent funds when it checks the trust's accounts. Any causes for serious concern, (such as long-term substantial surplus with no clear plans for use) will be reported to the relevant DfE boards.

Pooling of GAG by Multi-academy trusts

The trust has the freedom to amalgamate a proportion of GAG funding for all its Academies to form one central fund. This fund can then be used to meet the normal running costs at any of the academies within the trust in accordance with the guidelines that govern the use of GAG funding.

The trust has decided not to pool individual academy funds.

Part Two

EXECUTIVE COMMITTEES OF THE TRUST AND ACADEMIES

Introduction

This section outlines the respective responsibilities of the academy council, principal and staff in relation to financial administration. The policy also provides a standardised approach to all finance related tasks within the trust and covers all subsequent Academies.

Please note that this policy should be used in conjunction with the Academies Financial Handbook.

11. Summary of Responsibilities

- The day to day management of the academy is devolved to the academy council, and the committees created by the academy council
- The academy council delegates day to day responsibilities to the principal
- Sub-committees of the academy council will act strictly within the remit allocated to them by the academy council
- Management and administration duties undertaken by the principal and the members of the academy staff shall be carried out in accordance with the terms of this statement, and within the terms of their contract of employment
- The principal together with the finance officer will recommend anticipated expenditure in advance of each financial year. This must then be approved by the executive finance committee.

11.1 The Role of the Finance Policy and Scrutiny Committee

The executive finance Committee will meet as necessary. Best practice will be to convene meetings at least once a term to:

- Determine the academy's annual budget, including staffing
- Consider reports from the trust finance accountants comparing Actual with budget
- Determine the written description of financial systems and procedures
- Operate the trust's arrangements for obtaining quotations and inviting tenders
- Agree any proposed write-offs and disposals of surplus stock and equipment
- Determine insurance arrangements
- Review cashflow management
- Review the financial policies and procedures
- Determine the limits of authority which they delegate to the executive principal / Principle finance officer
- Approve expenditure recommended by the executive principal / Principle finance officer above those limits

11.2 The Role of the Principal

The day-to-day operation of the budget is delegated to the principal, who will be responsible for:

- Preparing the academy improvement plan in conjunction with the chief operating officer
- Oversee internal control systems and financial transactions in accordance with the trust Handbook
- Reviewing the budget monitoring report on a monthly basis. This should report any variations in expenditure against the approved budget plan
- Ensuring that returns to the EFA and the academy trust are submitted according to published deadlines
- Providing access to accounting and other relevant records to external and internal Audit, including academy fund(s), and implementing Auditor recommendations where necessary
- Ensuring that the academy inventory is maintained as accurately and up to date as possible and ensuring that an independent check of the inventory is made at least once a year
- Making recommendations for equipment to be written off or disposed of, ensuring that disposal of such equipment is adequately recorded and that the disposal of assets is conducted in an open manner and where income generated from disposal is maximised.
- Ensuring that adequate procedures are in place for the prompt security marking of all items of a portable and desirable nature
- Ensure that adequate controls are in place to ensure that all responsibilities delegated are monitored
- Ensure a central file of all submitted applications for grant funding is maintained and counter sign any submissions for audit purposes

11.3 The Role of the Finance Team

Subject to and in accordance with individual job descriptions the principal may delegate financial procedures to the finance team. The finance team's roles may include:

- Reviewing the monthly salary reports and signing and dating these to confirm they are accurate and noting any queries
- Providing budget monitoring and produce monthly reports
- Submitting pay returns to payroll as appropriate
- Ensuring that invoice checking procedures are followed
- Ensuring that, in conjunction with the principal, authorisation of orders, invoices and schedules are in accordance with this Handbook
- Operation of prompt and intact banking of income and associated recording of income in accordance the Academies Financial Handbook
- To monitor and prepare cash flow statements so as to ensure the academy has sufficient cash to meet its needs and submit these to the executive finance committee
- Recording any income received or payments made from the academy fund. Assemblage of documents such as collection records and receipts to support the

transactions processed through the academy fund. Preparation of the year end summary of transactions for external audit, in accordance with the Academies Financial Handbook

- Assisting in the maintenance of an accurate inventory and associated security procedures
- Assist in the preparation of the three year budget plan and the financial returns to the EFA

11.4 The Role of the Staff

The role of staff in academy financial administration is to:

- Familiarise themselves with this Handbook
- Conduct all financial transactions relating to the academy in accordance with this Handbook
- Manage any budget delegated to them by the principal responsibly, and after due consultation with relevant staff
- Actively seek 'best value' on all work, goods or services procured on behalf of the academy
- Ensure that all relevant documents (delivery notes, invoices etc.) are promptly passed to the finance team for processing

12. Limits of Delegation

12.1 Orders

The sum of up to £50,000 is the amount authorised by signature by the chief operating officer on any single order.

The sum of up to £100,000 is the amount authorised by signature by the executive principal on any single order. Principals will comply with financial regulations, as detailed in section 9 - Procurement of Goods and Services.

12.2 Invoices

Invoices will be authorised for payment by the relevant budget holder and then passed to the finance office for recording and payment through PS Financials.

12.3 Cheques

All cheques, and other instruments authorising withdrawal from the bank accounts, must bear the signatures of two authorised signatories in accordance with each academy's bank mandate.

13. Financial Reports to Trustees

The chief operating officer is responsible for providing finance policy and scrutiny committee and the trust board with a report on the budgetary position of the academy. This report should be produced on a monthly basis and presented to trustees at least once a term.

Financial reports should be reliable and relevant to users, good quality financial information is:

- Produced promptly. Financial reporting should be carried out in line with the Academies Financial handbook
- Accurate. Actual expenditure appearing on the report should agree to what has been processed on PS Financials. There should be a monthly reconciliation of the bank account to PS Financials. Where amounts have been charged to the academy and are still in dispute, these should still be included in the actual expenditure until queries have been resolved
- Complete. To provide trustees with a “true and fair” view of the academies financial position the reports must include committed expenditure. For information to be complete, expenditure that the academy has been committed to, including details of orders and invoices outstanding, must be included
- Understandable. Reports need to be understandable to the intended recipient; in particular financial reports to trustees should be jargon free
- Concise. Reports should be summarised and not contain unnecessary detail. Expenditure and budget totals should be summarised to the headings contained in the annual EFA funding statement and in the annual accounts
- Include a profiled budget. To ascertain whether the level of expenditure to a given date is reasonable, the expected expenditure up to the same date should be provided by the inclusion of a profiled budget. Based on knowledge of the academy’s spending patterns, the profile looks at the total budget for the year and indicates what percentage of that budget it would be reasonable to have spent by the specified date
- Include explanatory notes. Where there are significant variances on budget headings an explanation should be provided with the report. Proposed actions to address variances should also be reported and actions agreed should be minuted. Where large orders are due to be placed, this may also require a note to the report
- Include a projected out-turn on at least a termly basis, which is an estimate of the final budget position of the academy at the end of the financial year

14. Reconciliation Procedures

It is essential that thorough procedures are in place to ensure that all costs incurred and income received against the academy’s account(s) are valid and to verify that they are the responsibility of the academy. The executive principal is responsible for ensuring that controls are in place for these checks to be carried out. The principal will delegate this role to the academy’s chief operating officer.

The trust finance accountant is responsible for ensuring the following reconciliations are performed each month, and that any reconciling or balancing amounts are cleared:

- Payroll. The chief operating officer will receive monthly payroll reports from EPM portal to check that transactions for staff, casual staff and overtime have been made

correctly against authorised claim forms. The trust finance accountants will undertake a monthly reconciliation between the current month's actual expenditure and the budgeted payroll costs. The reconciliation should be signed by both the finance officer and the principal to verify the accuracy of the payments made

- Bank balance per the nominal ledger to the bank statement. The finance officer must ensure bank statements are received on a monthly basis. The reconciliation procedures must ensure that all bank accounts are reconciled to the academy's cash book, reconciliations are prepared by the finance officer, reconciliations are subject to an independent monthly review carried out by the trust finance accountants and all adjustments arising are dealt with promptly.
- Procurement cards. All receipts must be produced and reconciled monthly to the monthly statement by the chief operating officer and reviewed and signed off by the trust finance accountants
- VAT. Monthly VAT reports from PS Financials are to be reconciled with the sums due from HMRC, VAT control account balances on the trial balance and signed off as correct by trust finance managers
- Other academy trust month end system. Any unusual or long outstanding reconciling items must be brought to the attention of the trust finance accountants. The trust finance accountants will review and sign all reconciliations as evidence of their review.

15. Operation of Local Bank Accounts

Each academy must implement the following controls:

- A list of cheque signatories (mandate) should be drawn up whereby all cheques must have two authorised signatories
- A minimum of three signatures should be maintained on the mandate
- The principal may sign all cheques other than those payable to themselves
- No member of staff is permitted to sign cheques payable to themselves or to someone closely connected to themselves or in whom they have a pecuniary interest

Arrangements made with the bank must include:

- A statement to be provided at least once a month
- To disallow any overdraft

Direct debit payments may be entered into for the payment of utility bills and other suppliers with whom the academy has a regular contract. The value of each direct debit should be reviewed and compared with invoices received from the supplier. Suppliers paid by direct debit must be reviewed regularly, with reference to a contract register, to ensure they continue to provide best value.

On receipt of the bank statements, the academy finance officer will reconcile the bank balance to the balance held in the PS Financials system.

16. Petty Cash Accounts

Petty cash is both administered and reimbursed by the finance Office upon production of VAT receipts.

The only deposits to petty cash should be from cheques cashed specifically for this purpose. The receipt should be recorded in the petty cash records on PS Financials with the date, amount and a reference (normally the cheque number) relating to the payment. All other cash receipts for whatever reason should be paid directly into the bank.

In the interests of security, petty cash payments will be limited to £50. Higher value payments should be made by cheque directly from the main bank account as a purchase order.

Personal cheques must not be cashed from petty cash funds.

Expenditure is recorded manually in the first instance. Expenditure is then processed into the PS Financials accounting system against the appropriate budget centre.

The finance Office is responsible for entering all transactions into the petty cash records on a regular basis and regular cash counts should be undertaken by the finance officer to ensure that the cash balance reconciles to supporting documentation, and the computer balance.

The trust finance accountant should review and countersign the petty cash reconciliations.

Petty cash must be securely held at all times with access strictly limited to authorised officials only.

17. Security, Inventories, Stocks and Disposal of Assets

The trust is responsible at all times for maintaining proper security for buildings, stocks, stores, furniture, equipment, etc... under its control.

17.1 Security

Stores and equipment must be secured by means of physical and other security devices. Only authorised staff may access the stores.

Safes must be kept locked and the key removed. Keys to safes and cash boxes must be on the key holders person at all times. The loss of such keys should be reported to the principal / trust finance accountants immediately.

Money left on the premises shall be secured in a locked safe or in a locked secure cabinet. The insurance limit for cash (and cheques) held in a safe is £5,000 unless a higher limit is specifically agreed with insurance.

Losses due to theft of stocks or cash shall be promptly reported to the police, principal, chief operating officer, trust finance managers and the executive principal.

Steps must be taken by the principal / trust ICT Systems manager to ensure that there are effective back up procedures for all computer systems. All back up disks, tapes, etc... should be securely retained in a fireproof safe or remote location, with at least one tape/disk held securely off-site. Backup procedures should be regularly checked and these checks documented.

Arrangements should be made to ensure that only authorised staff have access to computer hardware and software used for academy management. Passwords should not be disclosed or shared and should be changed regularly. Access rights of any staff leaving the academy should be promptly revoked.

The principal and the academy council shall register with the Information Commissioner, and comply with all regulations relating to by the Data Protection Act 1998.

17.2 Inventories

The trust finance accountants should maintain a fixed asset register in which an adequate description of all property and assets over £5,000 shall be recorded. This includes land, buildings, moveable plant and machinery, vehicles, furniture, fittings and equipment belonging to the academy.

The asset register should include the following information:

- Asset description, including manufacturer details
- Asset model number
- Serial number
- Date of acquisition
- Asset cost and invoice reference number
- Source of funding (% of original cost funded from DfE grant and % funded from other sources)
- Expected useful economic life
- Depreciation
- Current book value
- Location
- Name of member of staff responsible for the asset

The asset register helps:

- Ensure that staff take responsibility for the safe custody of assets as independent checks on the safe custody of assets will be regularly made 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 academy's financial system
- Support insurance claims in the event of fire, theft, vandalism or other disasters

Fixed (tangible or intangible) assets are to be depreciated to reflect the recoverable amount in the financial statements, over the useful life of the asset.

The depreciation will be calculated on an annual basis for preparation of the year end accounts.

Groups of assets will use the same method of depreciation. There may very occasionally be an asset that does not completely fit into one of the categories below and the chief operating officer will discuss these items on an individual basis.

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

- Freehold buildings: 2%
- Long leasehold buildings: 2%
- Plant and machinery 10% (though 5% for some items)
- Furniture & equipment: 10% (20% for some climbing wall items)
- Computer equipment & software: 100%
- Motor vehicles: 20%

All the items in the fixed asset register are to be permanently and visibly marked as the academy's property and there should at least be an annual inspection by someone other than the person maintaining the register. Discrepancies between the physical count and the amount recorded in the register should be promptly investigated by internal audit and reported to the principal. Inventories of academy property should be kept up to date and reviewed regularly. Where items are used by the academy, but do not belong to it, this should be noted for insurance purposes.

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

17.3 Acquisitions and Disposal of Assets

Assets acquired by the trust will be duly recorded in the trust balance sheet in an appropriate fashion following a valuation which meets accounting standards. Assets below £5,000 do not need to be included on the asset register.

Budget holders in each academy must notify the finance teams of all items purchased with a value over £5000 so that such purchases can be recorded on a monthly basis, and these records should form the basis for adding items to the asset register. ICT equipment is recorded directly by the trust ICT department.

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

- Acquiring and disposing of freeholds on land or buildings.
- Disposing of heritage assets. Heritage assets are assets with historical, artistic, scientific, technological, geophysical or environmental qualities that are held and maintained principally for their contribution to knowledge and culture.

Academies may dispose of any other fixed asset (i.e. other than those described above) without the approval of the Secretary of State. Any disposal must maintain the principles of regularity, propriety and value for money. This may involve public sale where the assets have a residual value. ([Appendix 10](#))

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

Items which are to be disposed of by sale or destruction must be authorised for disposal by the principal and, where significant, should be sold following due process:

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

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

The trust may agree to give assets bought for a proper purpose, but which are no longer needed for the conduct of its business, to a charity, up to a maximum value of £1,000 per single donation. The residual value of assets is determined by the greater of the written down value or market value.

Disposal of equipment to staff is not encouraged, as it may be more difficult to evidence the academy obtained value for money in any sale or scrapping of equipment. In addition, there are complications with the disposal of computer equipment, as the academy would need to ensure licenses for software programs have been legally transferred to a new owner.

The academy is expected to reinvest the proceeds from all asset sales for which capital grant was paid in other academy assets. If the sale proceeds are not reinvested then the academy must repay to the EFA a proportion of the sale proceeds.

17.4 Loan of Equipment

Items of academy property must not be removed from academy premises without the authority of the Head of Department or principal. A record of the loan must be recorded with the finance office and the asset booked back in when it is returned.

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.

18. Charging and Hiring Policy

Aim

- To make a broad program of trips and activities accessible to as many students as possible.
- To establish and maintain a fair and coherent system of charges within the constraints of the academy budget.

Practice

- In cases where charges are to be levied, parents will be advised in advance and monies collected prior to the activity.
- Activities which are wholly within academy hours will not normally be chargeable. (exclusions include trips, visits off site and productions by external providers)

Voluntary Contributions

- In practical subjects parents may be asked for the full or partial cost of materials or ingredients if they have indicated in advance that they wish to own the finished product. In addition parents may be asked to provide voluntary contributions towards the costs of consumable materials that are used by their child during the course.

18.1 Charging

Examinations

No charges may be made for entering pupils for public examinations that are set out in the DfE charging for school activities regulations. The trust must enter a pupil for each examination in a public examination syllabus for which the academy has prepared the pupil. This does not apply if the academy thinks there are educational reasons for not entering the pupil, or if the pupil's parents request in writing that the pupil should not be entered.

An examination entry fee may be charged to parents if:

Candidates have either failed to attend the exam without an acceptable reason or failed to meet the academy's entry criteria but still wish to be entered, they may be asked to pay entry or resit fees.

- The costs of re-scrutinising an examination entry will be passed on to parents.
- The examination is on the set list, but the pupil was not prepared for it at the academy;
- The exam is not on the set list, but the academy arranges for the pupil to take it;
- A pupil fails, without good reason, to complete the requirements of any public examination where the academy originally paid or agreed to pay the entry fee.

Charges may not be made for any cost associated with preparing a pupil for an examination. However, charging is allowed for tuition and other costs if a pupil is prepared outside academy hours for an examination that is not set out in the regulations.

Residential Trips

- Special rules apply for residential trips. A trip is residential if it takes place in more out of academy hours than academy hours (9:00-15:00), in a day.
- If the residential trip counts as taking place during academy hours, such as year 7 camp, a charge will be made for board and lodging on the trip, except for those pupils whose parents or carers are receiving any of the following benefits at the time of the trip:
 - Income support (IS);
 - Income based jobseekers allowance (IBJSA);
 - Support under part VI of the Immigration and Asylum Act 1999;
 - Child tax credit, provided that working tax credit is not also received and the family's income (as assessed by Her Majesty's Revenue and Customs) does not exceed £16,190;
 - The guarantee element of state pension credit;
 - An income related employment and support allowance that was introduced on 27 October 2008.

All parents and carers will be advised of the right to claim free board and lodging if they are receiving the benefits set out above. (See Financial Support Application Form)

Breakages, damage and lost items

- Parents will be expected to pay for all and any breakages or damages caused by their son's/daughter's irresponsible or careless behaviour and deliberate vandalism. They will also be expected to pay for replacement text/library books or other academy property entrusted to their son/daughter if lost, damaged or defaced.

Trips

- All trips will be charged under a voluntary contribution arrangement unless they are fully funded by the academy (part of prescribed examinations syllabus or national curriculum requirement). If the level of voluntary contribution is insufficient to support the trip then it will be cancelled and parents will be advised of this and refunds made where appropriate.
- All trips must have an approved full and detailed financial plan prepared by a finance officer
- All costs associated with the trip, including supply costs are to be included when completing the detailed financial plan
- All trips to have a completed financial statement following completion of the trip to identify any surplus or loss.
- Any surplus will then be adjusted for any costs not already charged – e.g.: online payment charges, administration time
- If there is any surplus exceeding £10 per pupil this will be refunded to parents. If less than £10 this will be retained by the academy.
- Voluntary contributions will be sought for trips which take place mainly within academy hours. No child may be excluded because of inability to pay but the academy is entitled to cancel the trip if the level of contributions does not meet its budgetary requirements.
- All trips are chargeable, subject to any remissions.
- Trip refund policy can be found in [Appendix 2](#)

Musical Instrument tuition

- Charges will be made for musical instrument tuition provided to individual pupils or in groups of up to four pupils. This tuition is an optional extra. (No charge would apply for musical instrument tuition which is an essential part of the national curriculum or part of the academy's basic curriculum for religious education.)
- Most musical tuition is provided direct from external tutors under contract with the parents and academy staff will only deliver this on occasion.
- Students in receipt of free academy meals will be provided tuition at no cost, the academy will fund this in full.

Academy shop – trading (where applicable)

Elements to be included within costs apportioned to academy shop:

- Costs of items and services
- All delivery costs
- The risk of not selling all items purchased with a view to sale.
- Cash/stock handling costs – including online payments charges, banking, accountancy charges, and audit charges.
- Premises related costs – modifications
- Software costs
- Set up costs relating to academy shop

- Equipment needed to deliver the service (e.g.: lockers)

Basic key principles:

- Any charges made by the academy must meet the requirements of the [Education Act 1996](#) Sections 449 - 462. The trustees and academy councillors endorse the guiding principles contained in the Act, in particular that no child should have their access to the curriculum limited by charges.
- Charges are to recover as a minimum the full cost of providing the goods or service.
- Any surpluses from trading will be made available to meet agreed educational priorities or reduce the cost of that service to the academy as a user.
- Priorities will include supporting financial hardship cases, and educational activities which would not be self-financing.
- All expenses (including any set up, software or admin systems costs) will be deducted from any surplus generated.
- The academy shall have priority of use where resources are concerned, over and above external customers.

18.2 Hiring

Hiring premises

- The full costs of hiring the premises will be charged to all users of the academy.
- The basis for charges are set and reviewed annually by the executive finance committee of the trust.
- Terms and Conditions of hire covering the hire of academy premises are available from the academy finance office. Please see hiring policy ([Appendix 3](#)) for details
- All hiring will be quoted for on an individual basis to ensure full cost recovery plus an element of profit.

Unpaid Charges

In circumstances where legitimate charges have been clearly notified to the relevant debtor but continue to remain unpaid, the academy reserves the right to carry out following actions:

- Issue a gentle reminder letter requesting payment within ten days
- If payment continues to remain outstanding, a second, 'Notice of Intended Proceedings', letter will be issued requesting payment within seven days. The letter will clearly state the academy's intention to pursue the matter through the Small Claims Court and the possible effects of such an action (for example the inability to obtain future credit)
- If payment continues to remain outstanding, the principal will decide whether it is appropriate to instruct the academy's legal representative to issue a County Court summons in order to recover the outstanding debt. No further warnings will be issued to the debtor

- The academy reserves the right to cancel / disallow the relevant students and their siblings from participating in any non-curricular activities whilst any of the above debt recovery processes are being undertaken
- Entries in the hiring diary specific to the debtor, will be suspended with immediate effect as soon as the 'Notice of Intended Proceedings' letter has been posted. The decision whether to re-instate any future bookings will remain at the academy's discretion

Areas covered by this policy

- Lockers
- Examinations
- Photographs
- UCAS registration (reimbursements)
- Reprographics
- Hiring – including sports and fitness centres
- Trips
- Academy Shop
- Uniform
- Stationary items (e.g.: pencils, pens, rulers, etc.)
- Calculators
- Revision guides
- Workbooks
- Student planners (replacements)
- ICT equipment – including memory sticks
- Folders (e.g.: art & DT)

VAT – charged in accordance with HMRC guidelines and accountants recommendations.

19. Insurance

The trust will take out insurance as it sees fit or as it is advised. The trust will consider a risk protection arrangement if the commercial insurance no longer provides better value for money. The trust will be insured to comply with statutory requirements. The trust will obtain the following insurance cover as standard:

- Buildings and contents
- Business continuity
- Employer's and public liability
- Legal expenses
- Academy journey
- Libel
- Money
- Personal accident
- Hirer's liability
- academy councillor's liability

- Business interruption
- Fidelity guarantee
- Terrorism
- Motor
- Engineering inspections

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

All contractors must have public liability insurance before they are allowed to undertake work on academy premises.

People hiring the academy's premises and using facilities should either be covered by the academy's insurance at an additional cost, or must produce a valid public liability insurance with indemnity up to £5,000,000.

20. Receiving Income

The main sources of income for the academy are the grants from the EFA. The receipt of these sums is monitored directly by the trust finance managers / chief operating officer who is responsible for ensuring that all grants due to each academy are collected.

Academies also obtain income from:

- Student teachers from Universities and other institutions
- Hiring of premises and facilities
- Academy meal sales
- Uniform sales
- Students (mainly trips)
- Adult education
- External peer review
- Support services such as ICT, finance and health & safety support etc...

Charges can also be made to students to defray the costs of certain activities ([see section 18. Charging Policy](#)). Certain curriculum departments generate some income through entrepreneurial activities. Such charges should be made in accordance with the trusts charging policy.

Premises hire charges are determined by the trust's hiring policy ([see section 18](#)), unless exceptional circumstances require otherwise.

Bookings for lettings are made through the finance /admin staff. A list of hires for invoices will be prepared and sent to the finance office.

All monies must be banked, in their entirety, in the appropriate bank account. The finance officer is responsible for preparing reconciliations between the sums deposited at the bank and the sums posted to the accounting system. The reconciliations must be prepared promptly after each banking and must be reviewed and certified by the finance officers.

All outstanding invoices should be reviewed each month by the finance officer and pursued to ensure that the academy receives all monies due.

21. Miscellaneous Issues

21.1 Register of Pecuniary Interests

The finance policy and scrutiny committee shall maintain a 'register of pecuniary interests' that lists the personal interests, financial or otherwise, that could be deemed a potential conflict of interest for trustees, academy councillors, the principal or any other member of staff. All trustees, academy councillors and members of staff shall declare in writing if they have a pecuniary interest in any contract to which the trust is bound.

The clerk shall keep the register up to date as new trustees, academy councillors or staff join the academy and must undertake an annual review. A pecuniary interest form should contain the following information:

- The name of the relevant member of staff
- The organisation to which the member of staff has an interest
- What that interest is

Trustees, academy councillors or staff that do not hold any pecuniary interests, must submit a nil return.

The register relating to trustee's interests will be uploaded to the trust website and maintained as reviewed.

21.2 Expenses Paid to academy councillors

The trust plays a key role in the success of the academy. Individual trustees / academy councillors should not be deterred from playing their full part because of incidental costs. Payments can only be paid in respect of expenditure necessarily incurred for the purposes of enabling the person to perform any duty as a trustee / academy councillor. This would not include payments to cover loss of earnings for attending meetings.

[A form can be found here](#)

The following expenses can be claimed.

- Care arrangements for a dependant relative (including childcare or babysitting) at a rate of £5 per hour
- Telephone charges, photocopying and stationery
- Travel and subsistence at a rate of 35p per mile Support for academy councillors whose first language is not English (translations)
- Support for academy councillors with special needs (e.g. audio equipment)

Travel expenses must be paid at a rate not exceeding the maximum level of the HMRC Authorised Mileage Rate. The HMRC rates are changed annually and can be found on the HMRC website at www.hmrc.gov.uk.

Any trustee/academy councillor wishing to make a claim for expenses should obtain written approval, in principle, in advance of incurring the expense.

Expenses claimed by a trustee should be reviewed and signed by the chair of the trust prior to submission for payment.

Expenses claimed by a academy councillor should be reviewed and signed by the chair of the Local governing body prior to submission for payment.

The trust should make provision from within the delegated budget if they anticipate expenditure in making adjustments for disabled trustees / academy councillors or in providing support to those trustees / academy councillors whose first language is not English.

Claims should be submitted to the local academy finance office

For all other expenses issues please see [Appendix 7](#)

21.3 Internal Audit

Academies will be subject to internal audit visits in accordance with the programme of internal audit and in accordance with this Handbook. Also, the academy will receive an 'end of year audit' in preparation for submitting the end of year accounts to Companies House.

Appendix I

Academy Trips Refund Policy

General

- No refunds issued 4 weeks prior to departure- but see below for details and any exceptions.
- Any refund not covered by the circumstances below will be at the sole discretion of the academy.

Cancellation of a trip by the academy

- Refund in full

Change of trip date by the academy

- Deposits/instalments refunded on request

Pupil withdrawn from Trip by Parent/Carer

If a pupil is withdrawn from a trip by the parent/carer for any reason other than those covered by trip insurance, including personal issue, friendship issue or non-attendance

- If replacement pupil found then a full refund of sums paid less an admin fee of £3 and any extra costs charged to the academy as a result of the change. (i.e. name change on flight)
- If replacement not found - no refund

Covered by trip insurance circumstances include -death in the family, illness or injury

- Full refund – less admin fee of £3 and any insurance excess

Pupil excluded from trip because of behaviour issues / other issues

- No refund – however if there are individual circumstances to be taken into account these will be considered by the principal

Appendix 2

Hiring Policy

Statement of General Policy

- All applications for the letting of academy premises shall be made using the hiring booking forms.
- A designated member of the site staff team will be responsible for locking/unlocking the premises in respect of all hiring.
- An 'initial incident action card' will be issued to all hirers to be used in the event of an emergency.

Terms and Conditions

The terms and conditions on which the premises are let shall be as follows:-

Booking and Fees

- (a) All applications for the hiring of academy premises must be made through the individual academy using the appropriate booking form.
- (b) Bookings can normally only be accepted for up to 6-months in advance.
- (c) A booking will only be accepted, subject to availability, upon completion of a booking form and signed indemnity. All bookings will be confirmed, in writing. (Please do not make any arrangements until you have received written confirmation.)
- (d) The fees charged will be those in force on the day(s) of the hiring; the scale of charges is normally revised with effect from 1st September each year by the trust finance committee.
- (e) All charges are inclusive of caretaking, cleaning, lighting, heating and water (where applicable).
- (f) Demountable staging will be charged for based upon the time taken to set up and dismantle
- (g) Self-catering is only permitted by arrangements with the academy. The academy kitchen is available for hire by special arrangement
- (h) The premises are subject to the normal Sunday trading laws under the Sunday Trading Act 1994 and only restricted items may be sold on a Sunday
- (i) Hirers wishing to make use of the sound and lighting facilities will have to pay for the hire of the College technician to operate these. Hirers are NOT permitted to use any stage lighting
- (j) The trust will not let academy premises to any hirer without first ensuring that such organisations understand the trust's child protection procedures, including the appropriate procedures regarding confidentiality.
- (k) All charges will be invoiced and are payable within 14 days of invoice date.

- (l) The hirer shall not assign the benefit or burden of the hiring or sub-let the premises or any part thereof.

Deposit

A non-refundable deposit of 20% of the hire charge is required at the time of booking. (Cheques to be made payable to the local academy)

Cancellations

- (a) Notice of cancellation must be given, in writing, to the local academy at least 14 days before the hiring date. If notice is not received in time then the hirer will be liable for any costs incurred. Deposits are non-refundable.
- (b) The trust reserves the right, by notice to the hirer, to terminate the hiring at any time for reasons outside of their control and to return to the hirer any monies paid by way of deposit. The trust shall not be under any liability to the hirer for any loss or damage they may sustain arising out of such termination. During the Christmas, Easter and summer holiday periods hiring may be refused in order that cleaning, redecoration and other essential work may be carried out. Hiring may also be refused when the facilities are required for examination purposes.

Public Liability Insurance

All hirers must have adequate public liability insurance cover as a condition of the letting. Please enclose a copy of your own cover with this application.

Hirers Responsibility

The hirer shall:

- a) Vacate the premises by the time stated on the booking form.
- b) Obtain the necessary license if alcohol is to be sold, a copy of which must be submitted to the academy at least a week before the event.
- c) Ensure that they have made appropriate arrangements for the provision of entertainment licence/s in particular elements that are not covered by the academy's entertainment licence a copy of which is displayed in the entrance to the academy
- d) Be responsible for obtaining the licence of the owner of the copyright of any dramatic or musical work intended to be performed or sung and must indemnify the academy against any infringement of copyright.
- e) A copy of all licences must be provided to the academy prior to hire
- f) If any part of the premises are to be used for purposes of gaming, or games of chance of any description, the hirer shall be responsible for securing that the provisions of the Betting, Gaming and Lotteries Act 1963, the Gaming Act 1968 or any subsequent amending Act are fully observed and complied with.

- g) Where premises are not licensed under the Cinematography Acts no films likely to incite uncivil behaviour or unrest shall be shown
- h) Ensure that any equipment brought onto the premises and used is safe and meets the standards of any statutory requirements regarding its serviceability, control and use.
- i) Fireproof all scenery and props etc. to be used in any performances, in accordance with instructions issued by the Fire officer.
- j) Environment: observe the trust's 'no smoking policy'. All those who use the premises are kindly asked to refrain from smoking on the premises at all times. We also operate a 'gum free' zone on the entire site and chewing gum is banned throughout the academy campus, (including grounds).
- k) Observe the academy's health & safety policy. A copy is provided to the hirer with each booking
- l) Comply with all applicable notices and signs.
- m) Immediately evacuate the premises by the nearest fire exit on the sounding of the fire alarm. The fire alarm is a continuous ringing of the academy bell. A copy of the fire evacuation guidance is provided to hirers.
- n) Inform the Caretaker / Site officer immediately of any incidents.
- o) Leave the premises and equipment as found.
- p) If any additional expense is incurred, arising from the letting, or any extra cleaning becomes necessary as a consequence of the use of the premises, the person/organisation hiring the academy will be responsible for any such expense and charged accordingly.
- q) Persons hiring premises or grounds will be held responsible for any damage to buildings, furniture, equipment or other property and a claim for the reinstatement, replacement or repair of such will be made whether as a result of the negligence of the hirer or their invitees, employees or agents during the period of hire. The hirer shall be deemed to have undertaken to pay the cost of such reparation by signing this hire agreement. No nail or fastening of any kind shall be driven or put into any wall, partition, pillar or other fittings or furniture.
- r) The hirer will be expected to insure this risk and hold legal liability insurance to cover claims directly arising from their group or organisation's activities.
- s) The hirer is responsible for the supervision of all persons attending the premises for the purpose of the hiring whilst they are on the premises or on any part of the academy's site, and for preserving good order.

- i. The hirer shall provide such number of attendants and stewards as may be necessary to secure the efficient supervision of the premises during the hiring, including:-
 - ii. The orderly and safe admission on departure of persons to and from the premises and the orderly and safe clearance of the premises in case of emergency.
 - iii. The safety of the premises and the preservation of good order and decency therein.
 - iv. Ensuring that all doors giving egress from the premises are kept unfastened and unobstructed and are immediately available for exit during the whole time the premises are in use.
 - v. During the period of the hire a Caretaker / Site officer will be on duty
- t) The trust cannot allow the Hirer to use ladders or scaffolding unless they hold a recognised certificate to show that they have been adequately trained to do so.
 - u) The trust cannot accept responsibility for any loss, damage, accident or injury arising during the Hirer's use of the premises, or to any member of the hirer's party and the hirer shall indemnify the academy trust against all claims, demands, actions or proceedings.
 - v) Car Parking is available at the academy. All hirers must ensure that vehicles are parked in designated parking spaces only; vehicles should never be parked on the grass. All vehicles are parked at the owner's risk. The trust accepts no responsibility for theft or damage to vehicles while parked on the premises.

Form of Agreement and Indemnity

- a) A booking form must be completed for each letting, giving full details of use of premises/equipment.
- b) The following indemnity will be included on the booking form and must be signed by the Hirer before the booking can be accepted:-

"I certify that I am over 18 years of age. I have read and agree to be bound by the Terms & Conditions of Hire, for the time being in force, and I accept responsibility for the observance of the conditions and agree to pay on demand the letting charge hereby incurred. I hereby indemnify Cambridge Meridian Academies trust against all claims in respect of injury, loss or damage (including damage to the premises and equipment) arising from this letting. (In requiring this undertaking the trust does not seek to absolve itself or any employees from liability as owners/occupiers of the premises.)"

- c) The trust reserve the right to refuse any booking which is deemed unsuitable.

Appendix 3

Procurement procedure

CMAT internal purchase order requisition form

- a. When submitting a purchase order please ensure that all documents and paperwork that are required for the order to be completed are attached to the form.
- b. A signed and dated authorisation form must be obtained from a department's budget holder. This includes confirmation that works/goods/services are appropriate and necessary making sure that there are adequate funds in the budget to facilitate the purchase.
 - i. *This will then be sent for further approval to the finance manager.*

Goods and services

2. Goods received into the school should be logged at reception.
 - a. Goods should then be checked as to quantity and quality.
 - b. If there are any problems then the finance office should be notified and the goods will be returned or replaced.
 - i. *To return goods log on to VLE.*
 - ii. *File purchase invoice in the invoice query folder.*
 - iii. *Flag the purchase invoices as 'on hold' on Sage until confirmation has been received from the supplier that the goods have been returned and a credit note has been raised.*
3. Services should be physically examined and documented as completed with a signature and date.
 - a. If the services are not been adequately rendered, notify the finance department to put the invoice on hold.
 - b. The department for whom the order was made are encouraged to contact the supplier to rectify the situation.
 - i. *If the issue is of a financial nature, the finance department should be informed so that they can contact the supplier.*

Purchase invoices

4. All purchase invoices should be sent directly to the finance office upon authorisation from a department's budget holder.
5. Once authorised by the budget holder and finance office these will then be forwarded back to the budget holder for approval to pay.

6. No orders should be placed verbally.
 - a. The exception to this rule is in exceptional scenarios e.g. emergency repairs.
 - b. Once the work has been completed a retrospective confirmation order must be generated.
7. All cheques must bear the signatures of two authorised signatories in accordance with each academy's bank mandate.
 - a. If unsure as to whose signature is required, please contact the finance department.
8. Procurement cards must be reconciled monthly with the relevant receipts to accompany all transactions made that month. This should be sent to the finance department.
9. If you are unsure as to the procedure for any order please contact Derick King or Matt Sampson who will provide tendering support.

Quotes for works or services

10. The procurement of works/goods/services will normally require a form of quote. Therefore full consideration should be given to:
 - a. Objective of project
 - b. Overall requirements
 - c. Technical skills required
 - d. After Sales service requirements
 - e. Form of contract
11. It is important that the school adheres to the Education Funding Agency's value for money statements. Therefore full consideration should be given to:
 - a. Financial aspects
 - i. *Does the quotation price come with any ramification costs?*
 - ii. *Is there scope for negotiation?*
 - iii. *When receiving multiple quotes, does the cheapest quote equate to a satisfactory level of service?*
 - b. Technical aspects
 - i. *Qualifications of the contractor*
 - ii. *Relevant experience of the contractor*

- iii. References from past customers*
 - c. Other considerations**
 - i. Previous dealings with the contractor*
 - ii. Pre-sales demonstrations*

Appendix 4

Tendering Policy

Forms of tender

- I. There are three forms of tender procedure: open, restricted and negotiated. The circumstances in which each procedure should be used are described below:
 - a. **Open Tender:** This is where all potential suppliers are invited to tender. The budget holder must discuss and agree with the finance director as to how best to advertise for suppliers or to identify all potential suppliers and contact directly if practical.
 - b. **Restricted Tender:** This is where suppliers are specifically invited to tender. Restricted tenders are appropriate where:
 - i. There is a need to maintain a balance between the contract value and administrative costs.*
 - ii. A large number of suppliers would come forward or because of the nature of the goods are such that only specific suppliers can be expected to supply the academy's requirements.*
 - iii. The costs of publicity and advertising are likely to outweigh the potential benefits of open tendering.*
 - c. **Negotiated Tender:** The terms of the contract may be negotiated with one or more chosen suppliers. This is appropriate in specific circumstances:
 - i. The above methods have resulted in either no or unacceptable tenders*
 - ii. Only one or very few suppliers are available*
 - iii. Extreme urgency exists*
 - iv. Additional deliveries by the existing supplier are justified*

Opening tender

2. Invitations to tender should be submitted by prospective bidders in sealed envelopes and time stamped upon receipt. They are not to be opened immediately. These invitations should then be stored in a secure place until an acceptable amount of invitations to tender have been received.
3. Opening tenders:
 - a. All tenders should be opened at the same time with the details of tender recorded.

- b. For contracts above OJEU thresholds the academy's chief executive officer and a member of the executive finance committee should be present for all opening of tender.
- c. The record must be signed and dated by all people present to the opening of the tender.

Evaluating tender

4. Evaluating tender:
 - a. The evaluation process should involve at least two people.
 - b. Those involved should disclose all interests that may conflict with their decision to contract.
 - c. If a conflict of interest should arise then the persons are expected to withdraw from the tender evaluation procedure.
 - d. Those involved in the tender evaluation process must take care not to accept gifts or hospitality from potential suppliers as to not compromise or seem to compromise independence in decision making.
 - e. Full records should be kept of all criteria used for evaluation.
 - f. For contracts over £100,000 a report should be prepared for the executive finance committee, highlighting the reason for deciding who to contract with.
5. The accepted tender should normally be the one that is the most economically advantageous. However other criteria may be used to form a decision to tender, as long as these assets are included in the tendering advertisement. The tendering of works/goods/services will come from multiple providers. Therefore full consideration should be given to:
 - a. Objective of project
 - b. Overall requirements
 - c. Technical skills required
 - d. After Sales service requirements
 - e. Form of contract
6. An invitation to tender should include:
 - a. Introduction/background to the project
 - b. Scope and objectives of the project
 - c. Technical requirements

- d. Implementation of the project
 - e. Terms and conditions of tender
 - f. Form of response.
7. It is important that the school adheres to the Education Funding Agency's value for money statements. Therefore full consideration should be given to:
- a. Financial aspects
 - i. *Does the quotation price come with any ramification costs?*
 - ii. *Is there scope for negotiation?*
 - iii. *When receiving multiple quotes, does the cheapest quote equate to a satisfactory level of service?*
 - b. Technical aspects
 - i. *Qualifications of the contractor*
 - ii. *Relevant experience of the contractor*
 - iii. *References from past customers*
 - iv. *Descriptions of technical and service facilities*
 - v. *Certificates of quality/conformity with standards*
 - vi. *Quality control procedures*
 - c. Other considerations
 - i. *Previous dealings with the contractor*
 - ii. *Pre-sales demonstrations*
 - iii. *Post-sales service*
 - iv. *Financial status of the supplier*

Awarding the contract

- 8. Notify the successful bidder and the unsuccessful bidders with reasoning as to why they were unsuccessful.
- 9. A minimum response period of 10 days is required before retracting an offer to a different party if no response is given.

Thresholds

10. If services are to be provided for more than one year the aggregate costs of the services over a four year period should be calculated to establish whether the relevant thresholds have been exceeded.
11. Contracts should not be broken down into smaller parts to bring them down into particular thresholds. If a contract does have several parts then these should be aggregated.
12. Where CMAT enters into several contracts with the same supplier in any period the value of those contracts should be aggregated.
13. Purchases of goods over €209,000 will require advertising in the Official Journal of the European Union.
14. Purchases of services over €5,225,000 will require advertising in the Official Journal of the European Union.

Appendix 5

Fraud Policy and Procedures

Introduction

The trust aims to be an honest and ethical institution. As such, it is opposed to fraud and seeks to eliminate fraud by the way it conducts business. This document sets out the trust's policy and procedures for dealing with the risk of significant fraud or corruption. In order to minimise the risk and impact of fraud, the trust's objectives are, firstly, to create a culture which deters fraudulent activity, encourages its prevention and promotes its detection and reporting and, secondly, to identify and document its response to cases of fraud and corrupt practices.

In order to achieve these objectives, the academy trust has taken the following steps:

1. The development and publication of a formal statement of its expectations on standards of personal conduct, propriety and accountability
2. The establishment of adequate and effective systems of internal financial and management control (and a clear requirement to comply with them), and an independent audit function with an ongoing responsibility to review and report on these systems;
3. The development and publication of a formal statement of the procedures to be followed by employees who have a suspicion of, or concern about, possible or actual malpractice within the academy and a fraud response plan which sets out the academy's policies and procedures to be invoked following the reporting of possible fraud or the discovery of actual fraud.

These three steps are described in greater detail in the following sections

Personal Conduct

The trust aims to promote an organisational culture which encourages the prevention of fraud by raising awareness of the need for high standards of personal conduct. To help ensure that all employees are fully aware of the trust's expectations regarding standards of personal conduct, appropriate guidance is provided by the following key statements:

- These regulations are binding on all trustees, academy councillors, members of staff, students and constituent parts of the academy trust. Refusal to observe them will be grounds for disciplinary action
- In disbursing and accounting for all funds, the academy trust must demonstrate that it is adopting high standards of financial probity. Implicit within this regime is the requirement that trustees, academy councillors and employees of the trust must at all times conduct financial affairs in an ethical manner
- All members of staff, trustees and academy councillors of the trust are responsible for disclosing any personal, financial or beneficial interest in any transaction with respect to the academy or its related companies, minority interest companies and trading areas

- any person who is responsible for placing an order with a supplier (whether a contractor or not) with whom he has a personal interest must disclose this to the principal, academy trust finance manager or the chief operating officer
- Trustees, academy councillors or employees of the academy trust shall never use their office or employment for personal gain and must at all times act in good faith with regard to the academy's interests
- Heads of Department/budget holders are expected to adhere to the financial regulations at all times and to use their best efforts to prevent misuse or misappropriation of funds and other trust property

Systems of Internal Control

The next line of defence against fraud is the establishment of operational systems which incorporate adequate and effective internal controls designed to minimise the incidence of fraud, limit its impact and ensure its prompt detection. These controls include high level management controls such as budgetary control (designed to identify fraud which results in shortfalls in income or overspendings against expenditure) and organisational controls such as separation of duties, internal check and staff supervision. Personnel policies are also a key part of setting the culture and deterring fraud. This includes seeking to reduce the risk of employing dishonest staff by checking information supplied by employees and references obtained during the course of the recruitment process, including DBS checks.

The general framework of responsibilities for financial management and the policies relating to the broad control and management of the trust are documented in the financial procedures policy. The financial procedures are issued and updated periodically by the chief operating officer. They are binding on all trustees, academy councillors, members of staff, students and constituent parts of the trust and are distributed to the principal, the senior leadership team, heads of department and staff in the academies finance offices.

The trust has also established an audit committee and an internal audit function which provides advice to management in respect of control matters and which conducts a cyclical programme of reviews of the adequacy and effectiveness of the systems which have been put in place (including those intended to minimise the potential exposure to fraud and corruption).

Fraud Response

This document sets out the trust's policies and procedures for ensuring that all allegations and reports of fraud or dishonesty are properly followed-up are considered in a consistent and fair manner and that prompt and effective action is taken to:

- Minimise the risk of any subsequent losses
- Reduce any adverse operational effects
- Improve the likelihood and scale of recoveries
- Demonstrate that the academy retains control of its affairs in a crisis; and
- Makes a clear statement to employees and others that it is not a soft target for attempted fraud

The plan includes both statements of general policy and specific steps to be taken when circumstances dictate and is necessary in order to reduce the following risks:

- Inadequate communication so that action is late or inappropriate
- Lack of leadership and control so that investigators are not properly directed and waste time and effort
- Failure to react fast enough so that further losses are incurred or the evidence required for successful recovery or prosecution is lost
- Adverse publicity which could affect confidence in the trust
- Creation of an environment which, because it is perceived as being ill-prepared, increases the risk of fraud

The main elements of the academy trust's policy are in line with the whistleblowing policy and are outlined below:

1. All trustees, academy councillors, members of staff, students and constituent parts of the trust are required to notify immediately the principal and/or the chief operating officer of any financial irregularity, or any circumstance suggesting the possibility of irregularity, affecting the financial procedures, cash, stores or other property of the trust. The principal and/or chief operating officer should bring this to the attention of the executive principal immediately
2. The principal / chief operating officer will ascertain whether or not the suspicions aroused have substance. They will if appropriate, conduct a preliminary investigation to gather factual information and reach an initial view as to whether further action is required. The findings, conclusions and any recommendations arising from the preliminary investigation will be reported to the chair of executive finance committee and the chair of trustees
3. The principal will have the initial responsibility for coordinating the individual academy's response. In doing this they will consult with the academy's Human Resources manager / Advisors regarding potential employment issues. The principal will also seek expert legal advice from the academy's Legal Advisor on both employment and litigation issues before taking any further action
4. The principal is required to notify the executive principal and trust Board of any serious financial irregularity. This action will be taken at the first opportunity following the completion of the initial investigations and will involve, inter alia, keeping the chair of the audit committee, the executive principal, the chair of the executive finance committee and the chair of academy councillors fully informed between committee meetings of any developments relating to serious control weaknesses, fraud or major accounting breakdowns
5. If evidence of a fraud is forthcoming then the trust will inform the DfE as required by the funding agreement and will consider whether or not to refer the matter to the Police.

Appendix 6

Best Value Statement

Introduction

The trust is accountable for the way in which academy's resources are allocated to meet the objectives set out in the academy's development plans. Trustees need to secure the best possible outcome for pupils, in the most efficient and effective way, at a reasonable cost. This will lead to continuous improvement in the academy's achievements and services.

What is Best Value?

Trustees will apply the four principals of best value:

- Challenge: Why, how and by whom a service is provided
- Compare: academy performance against available data.
- Consult: With service users, the local community etc.
- Competition: Wherever practicable, to secure efficient and effective services

The Trustees' Approach

The trustees and academy managers will apply the principles of best value when making decisions about:

- the allocation of resources to best promote the aims and values of individual academies
- the targeting of resources to best improve standards and the quality of provision
- the use of resources to best support the various educational needs of all pupils

The trustees and the academy managers will:

- make comparisons with other/similar academies using available data, e.g. RAISE online, quality of teaching and learning, levels of expenditure
- challenge proposals, examining them for effectiveness, efficiency, and cost
- require suppliers to compete on grounds of cost and quality/suitability of services/products
- consult individuals and organisations on quality/suitability of service we provide to parents pupils, and services we receive from providers

This will apply in particular to:

- staffing – trustees, academy councillors and academy managers will deploy staff to provide best value in terms of quality of teaching, quality of learning, adult-pupil ratio, and curriculum management
- use of premises – trustees, academy councillors and academy managers will consider the allocation and use of teaching areas, support areas and communal areas, to provide the best environment for teaching and learning, for support services, and for communal access to central resources

- use of resources – trustees, academy councillors and academy managers will deploy equipment, materials and services to provide pupils and staff with resources which support quality of teaching and quality learning
- quality of teaching – trustees, academy councillors and academy managers will review the quality of curriculum provision and quality of teaching, to provide parents and pupils with a curriculum which meets the requirements of the National Curriculum, National Literacy Strategy and National Numeracy Strategy, and the needs of the pupils and teaching which builds on previous learning and has expectations of children’s achievement
- quality of learning – trustees, academy councillors and academy managers will review the quality of children’s learning by setting of pupil achievement targets
- purchasing – trustees, academy councillors and academy managers will develop procedures for assessing need, and obtaining goods and services which provide best value in terms of suitability, efficiency, time and cost
- pupil’s welfare – trustees, academy councillors and academy managers will review the quality of the academy environment and the academy ethos, in order to provide a supportive environment conducive to learning and recreation
- health and safety – trustees, academy councillors and academy managers will review the quality of the academy environment and equipment, carrying out risk assessments where appropriate, in order to provide a safe working environment for pupils, staff and visitors

These areas will be monitored for best value by:

1. Departmental reviews by the principal & Senior Leadership Team
2. Termly target setting meetings between principal, Senior Leadership Team and head of departments
3. Annual performance management
4. Annual budget planning
5. principal’s reports including financial review
6. Feedback from Internal Audit Service and audit reports
7. Analysis of individual academy pupil performance data
8. Analysis of LA/DfE financial data
9. Analysis of DfE pupil performance data
10. Key issues for action identified by OFSTED
11. Trustee / academy councillor termly committee meetings
12. Trustee / academy councillor annual staff salary review

The pursuit of minor improvements or savings is not cost effective if the administration involves substantial time or costs. Time wasted on minor improvements or savings can also distract management from more important or valuable issues.

Investment Policy

The academy trust recognises the need to obtain best value from all of the assets that it holds, including any cash balances that it may periodically hold.

This policy sets out how those balances will be invested in order to achieve best value whilst also ensuring sufficient cash flow to enable the academy to manage its day to day accounts.

CMAT will not place cash assets in stocks, shares, bonds or other such investment schemes. Cash assets will only be invested in current accounts available through its normal bank, currently Barclays Bank plc. Cash flow and investments shall be managed by the trust finance team using the following principles:

1. Current account balances earn interest which is aggregated across the academies within the trust and then offset against the commission charges accrued producing a net surplus interest payment to the trust.
2. Regularly monitor cash flow and current a/c balances to ensure immediate financial commitments can be met (payroll and creditor payment runs).
3. The trust will always seek to avoid its current account going overdrawn.

Appendix 7

Reimbursement scheme

All potential reimbursements should receive authorisation from the department budget holder before the expense is incurred.

Claims are to be submitted on a monthly basis and employees should expect delayed reimbursement if they do not hand in their claim form as soon as practicable.

Any claims older than 12 months will not be reimbursed.

The claim form must be sent to the appropriate finance operative with all relevant backing papers attached and all signatures legible.

All claims will be verified for correctness.

No one should make or approve a claim if the conditions have not been met. The trust will take a very serious view of fraudulent or negligent claims.

Overtime

A form for overtime can be found [here](#).

The budget holder signs the completed form to confirm that the costs are a valid charge against the academy's budget.

Travel

Employees must fill out a [travel expenses form](#) and attach the relevant receipts. Claims should be submitted as soon as possible to the claimant's line manager.

If a claimant is unsure as to whether they will be able to claim travel expenses they should ask their budget holder prior to incurring the expense as it may not be reimbursed if it fails to adhere to the terms of trust policy. Exception to policy may be granted but it must be authorised by a budget holder.

The simple rule is **no receipt, no reimbursement**. The only exception to this rule is when it is not possible to obtain a receipt. If this is the case, you must seek authorisation from the director of finance.

- Travel should only be made when it is absolutely necessary to do so. Other means of communication should be considered first.
- The shortest and most effective route should be taken when travelling for business purposes.
- If multiple persons are travelling to and from the same location then carpooling is advocated.

Vehicle travel

- All travel up to 10,000 miles is calculated as 35p per mile
Over 10,000 miles this rate is reduced to 25p per mile

- If car park costs are incurred as a result of business travel, the employee must attach the car park ticket/receipt to their claim form.
- Everyday home to work mileage is not included in the mileage expense scheme. If, for any reason, an exception to this arrangement is granted by the accounting officer, this reimbursement will be classed as taxable mileage.
- Mileage is calculated as total mileage completed less normal mileage to designated place of work. Normal everyday home to work mileage is the employee's responsibility.
- Academy staff that travel regularly will be allocated a place of work to calculate mileage based on where they were originally appointed.
- All travel claims must be in excess of an employee's average home to work mileage. This rule applies to training courses, overtime and travel outside normal hours.
- All claims must have a valid VAT fuel receipt (not just a credit card slip) attached to the claim form. The receipt must be for a minimum of 25% of the total mileage claimed.
- Travel between an employee's home and any other workplace is business travel.
- It is the employee's responsibility to ensure they have appropriate insurance to cover business travel. A copy of the valid insurance certificate must be available when making a mileage claim.
- It is the employee's responsibility to ensure they comply with their legal obligations as a driver.
- The academy will not reimburse driving related fines.

Rail/Bus travel

Train and bus tickets should be pre-booked via the finance department and the fare should be significantly less than buying a ticket at the station on the day of departure.

If the employee purchases the bus/train ticket themselves then they must attach the receipt for this transport to their claim form.

Employees are expected to travel standard class at all times and take advantage of off peak timings.

First class travel should only be an option if:

- Standard class accommodation is full
- The additional cost of travelling first class is no more than the cost of travelling standard class.

Accommodation

All overnight stays must be approved in advance by the principal or trust financial accountant.

Overnight accommodation should be pre-booked via the finance department.

If the employee incurs the cost of overnight accommodation, the cost can be reimbursed subject to the limits set out below and on production of a VAT receipt.

- London- up to £70 per night
- Outside of London- up to £50 per night

Out-of-pocket expenses

This primarily covers breakfast, lunch and evening meals.

- Maximum allowances:
 - Breakfast - £5
 - Lunch - £8
 - Evening meal - £10

Cost of alcohol will not be reimbursed.

If employees need to travel abroad, a separate allowance must be authorised by either the director of finance or the accounting officer.

For accommodation and all other out-of-pocket expenses please fill out [this form](#).

Appendix 8

Academy Trust Reserves Policy

Rationale

Academies are expected to create reserves from their General Annual Grant (GAG) funding. The Education Funding Agency (EFA) provides some Devolved Capital Funding to Academies. The EFA provides no other annual capital funding.

Aim

The trustees of Cambridge Meridian Academies Trust require a revenue reserve to be created to fund future one-off projects and to be able to take advantage of future opportunities. Equally the trust must be able to absorb setbacks and protect itself against any unforeseeable expenses.

The Reserves Policy

Trustees have the responsibility to manage the assets of the academies. Setting a reserves policy is a central part of managing the trust's finances and safeguarding the assets. Trustees must consider both the needs of today's pupils as well as the future of the academy when setting a reserves policy. Holding back excessive funds for a rainy day may damage the education of the current pupils. Conversely, fully spending all of the current funds leaving no money for investment in the future of the academies can damage the education of tomorrow's pupils.

Some reserves will be held centrally (academy trust) as well as at individual academies, to enable work to be undertaken in promoting new academies, to provide support for newly sponsored academies initially unable to gain access to finance and to allow for the building of capacity for the growth of the trust in general.

The policy should be reviewed annually, by the academy trust finance policy and scrutiny committee, by an analysis of the budgetary process, the strategic and operational plans (i.e. academy development plans) and the risk management process and will include the following:

- Forecasts for levels of income in future years, taking into account the reliability of each source of income and the prospects for opening up new sources.
- Forecasts for expenditure in future years on the basis of planned activity.
- Analysis of any future development needs and opportunities that could not be met out of annual income.

Reserves should be split between free reserves, where use is not formally identified i.e. contingency and designated reserves, where surplus funds are being built up for specific future expenditure purposes.

There is no absolute level of free reserves that the academy should hold but, generally, as this is allocated for unforeseen liabilities, it should normally be restricted to 1% of GAG funding.

The EFA provides regular remittances to academies and a large proportion of income and expenditure is predictable. This reduces, but does not eliminate the need to hold reserves for working capital, cash flow and uncertainties.

The amount allocated to designated reserves will be project dependent but will include the following:

- Property maintenance not covered by annual funding (i.e. assessed need condition work)
- Planned/committed property development
- Planned replacement of high value fixed assets i.e. minibuses and photocopiers
- Development of ICT infrastructure i.e. servers

Capital Reserves

It is considered financially impractical and unnecessary (as all academies have recently benefitted from significant capital investment) to create and maintain a capital reserve.

Revenue Reserves

Due to the current level of funding for Cambridgeshire academies, progress to the required levels of reserves may need to be delayed in the medium-term and increases to the level of reserves held by the trust prior to the inception of this policy may therefore not be significant.

With finance policy and scrutiny committee approval, individual academies may borrow from reserves where a short-term advantage is to be obtained.

The policy of the trust is to carry forward a prudent level of resources designed to meet the long-term cyclical needs of renewal and any other unforeseen contingencies, subject to the constraint that the level of resources does not exceed the level permitted by the EFA.

Maintaining and monitoring reserves

The trustee's monitoring of reserves should not just be a year-end procedure. The level of reserves should be monitored throughout the year as part of the normal monitoring and budgetary reporting processes.

In particular the trustees should:

- Approve when reserves are drawn on so that they understand the reasons and can consider the corrective action, if any, which needs to be taken.
- Regard the on-going review of the reserves level, target and policy as part of the financial management of the academy.
- Ensure that the reserves policy continues to be relevant as the academy develops or changes its strategy and activities.
- Review the statement on reserves in the annual report where there have been significant changes in the reserves policy or level of reserves held.

Reserves – Disclosure

The trust's annual report should state the level of reserves on the last day of the financial year and the future needs, opportunities, contingencies and risks relevant to the level of reserves.

The charities SORP requires trustees to include in their annual report:

- A statement of their policy on reserves
- The level of reserves held and an explanation of why they are held
- Where material funds have been designated, the amount and the purpose of the designation should be explained.
- Where designated funds are set aside for future expenditure, the likely timing of that expenditure.

Appendix 9

Whistle-blowing Policy

Introduction

There is a balance to be struck between the right of the individual member of staff to speak freely on a range of matters and the right of the academy or colleagues to protect themselves against false and malicious accusations.

This procedure specifies how concerns about malpractice may properly be raised within the academy and if necessary outside the academy.

Scope

This procedure applies to all members of the academy staff, including the principal and other full and part-time, permanent and temporary employees, contractors' employees and work experience providers.

Whistle-blowing is the reporting by employees or ex-employees, of wrongdoing such as fraud, malpractice, mismanagement, breach of health and safety law or any other illegal or unethical act either on the part of management, the Governing Body or by fellow employees.

This procedure may not be used where the complaint concerns an alleged grievance by the employee against the academy as employer, in which case the grievance procedure should be invoked instead. Nor should it be used where the complaint concerns alleged harassment of an employee, in which case the harassment procedure should be invoked instead.

This procedure may not be invoked by an employee in response to the employee being named as respondent in the academy's use of either the disciplinary procedure or the capability procedure.

Any student who has a similar serious concern regarding wrongdoing which they feel should be raised in the public interest may use their student council representatives or the academy's Complaints Procedure instead of this procedure.

Purpose

The aims of this procedure are:

- i to create an ethical, open culture: Encourage staff with serious concerns to raise them internally and receive feedback on any action taken;
- ii to establish safe routes for communications of concerns: Appoint individuals outside the normal line management to receive complaints of unethical behaviour or wrongdoing;

- iii to protect the whistle blower: Ensure that concerns raised in good faith are taken seriously and that legitimate whistle-blowers are protected against victimisation, reprisal and dismissal;
- iv to establish a fair and impartial investigative procedure: Make sure that the academy's response is speedy, and focuses on highlighting the problem, not denigrating the messenger;
- v to remind staff of the duty of confidentiality: Prohibit employees from publicly disclosing the employer's confidential information, unless it is in the public interest that information is disclosed or unless the academy fails to properly consider or deal with the issue;
- vi to safeguard against abuse of the procedure: Ensure that the malicious raising of unfounded allegations is recognised as a disciplinary offence;
- vii to uphold the right to disclose a concern: Allow the whistle-blower to disclose the matter publicly if it is in the public interest to do so and the academy has failed to resolve the matter.

Raising a Concern

All parties must keep the issue and the progress of the whistle-blowing procedure confidential while the procedure is being used.

The representor (the person raising the concern) should raise their concern with their line manager or the principal. This may be done orally or in writing. The representor has the right to have the matter treated confidentially. If the line manager or principal believes the concern to be genuine and that it is appropriate to use the whistle-blowing procedure, the manager should refer the matter to an assessor.

The assessor will normally be the clerk to the academy council but if the representor believes that the clerk is involved in the alleged malpractice, any member of the senior leadership team may act as assessor.

If the representor feels unable to raise the concern with their line manager or the principal in the first instance, they may contact the assessor direct. In this case the assessor will first require the representor to justify why they are unable to raise the concern with their line manager or the principal.

The assessor will not reveal the representor's identity to anyone except:

- i where the representor consents to their identity being revealed;
- ii where the representor's identity is already in the public domain;
- iii where the assessor considers there are reasonable grounds to believe that the representor has made the allegation maliciously;
- iv where it is essential that the representor provides evidence at a consequential disciplinary hearing or other proceedings;

- v where the assessor is under a legal obligation to do so;
- vi on a strictly confidential basis to a professionally qualified lawyer for the purpose of obtaining legal advice.

The academy will ensure the representor is protected at all times from any form of victimisation or discrimination at work arising from proper use of the whistle-blowing procedure.

Investigation

The assessor should:

- i interview the representor in confidence within seven working days or earlier if possible, and without delay if there is an imminent risk of serious injury or loss of life;
- ii obtain as much information as possible from the representor about the grounds for the belief of malpractice;
- iii consult with the representor about further steps which could be taken;
- iv advise the representor of the appropriate route if the matter does not fall under the academy's whistle-blowing procedure;
- v report all matters raised under this procedure to the chair of the academy council.

At the interview with the assessor, the representor may be accompanied by a friend, colleague or other representative. The assessor may be accompanied by an impartial member of the academy staff to take notes.

Outcome

Within ten working days of the interview, the assessor will recommend to the principal one or more of the following:

- i the matter be investigated internally by the academy;
- ii the matter be investigated by the external auditors appointed by the academy;
- iii the matter be reported to the Department for Children, Schools & Families;
- iv the matter be reported to the police;
- v the route for the member of staff to pursue the matter if it does not fall within this procedure;
- vi that no further action is taken by the academy.

The grounds on which no further action may be taken include:

- i the assessor is satisfied that, on the balance of probabilities, there is no evidence that malpractice within the meaning of this procedure has occurred, is occurring or is likely to occur;
- ii the assessor is satisfied that the representor is not acting in good faith;

- iii the matter is already (or has been) the subject of proceedings under one of the academy's other procedures or policies;
- iv the matter concerned is already the subject of legal proceedings, or has already been referred to the police, the external auditors, the Department for Children, Schools & Families or other public authority.

Should it be alleged that the principal is involved in the alleged malpractice, the assessor's recommendation will instead be made to the chair of the academy council.

The recipient of the recommendation (principal or chair of academy council) will ensure that it is implemented in whole or in part unless there is good reason for not doing so. Such a reason will be reported to the next meeting of the academy council.

The decision of the principal or chair of academy council, and the conclusions of any subsequent investigation will be reported by the assessor to the representor in writing to the representor's home address within twenty-eight days of the concern being raised.

If the representor has not received this information within twenty-eight days of the concern being raised, they may appeal to the academy's external auditors, but will inform the assessor before doing so.

The representor may at any time disclose the matter strictly on a confidential basis to a trades union representative or to a professionally qualified lawyer for the purpose of taking legal advice.

Malicious Accusations

Deliberately false or malicious accusations made by a representor will be dealt with under the academy's disciplinary procedure.

External Communication

Whilst employed by the academy, the representor may not discuss the matter with any press or other media representative either before, during or after use of this procedure and doing so may be considered a disciplinary offence. Whistle-blowing to any other external source without first going through the internal procedure is inadvisable without a compelling reason such as alleged malpractice concurrently involving the principal, other senior leaders and the internal audit service. If the representor is not content with the decision of the principal or chair of academy council or with the subsequent action taken by the academy or feels victimised as a result of using the whistle-blowing procedure they may involve one of the following appropriate external agencies:

- i. The academy's auditors;
- ii. Department for Children, Schools and Families;
- iii. Member of Parliament;
- iv. National Audit Office;
- v. Health and Safety executive;
- vi. Police.

2017

Monitoring, Evaluation and Review

The academy council will review this procedure within four years and assess its implementation and effectiveness.

Appendix 10

Fixed Asset Policy

Introduction

The purpose of this policy is:

- to provide guidance when dealing with capital expenditure and the purchase and disposal of fixed assets (as defined below);and
- to provide guidance on other aspects of fixed asset accounting such as depreciation and revaluation

Definitions

Accumulated Depreciation

The total accumulated amount charged to the income and expenditure account to reflect the use of the asset by the business, over its useful economic life. The value of the fixed asset on the balance sheet will be reduced over the useful life of the asset.

Capitalisation

The addition to the balance sheet of an amount in respect of an asset which has come into the possession of the academy, whether through purchase or donation or gift in kind.

Carrying amount/net book value

The purchase cost (or valuation) of a fixed asset less the accumulated depreciation on that fixed asset.

Depreciation

The charge made to the income and expenditure account each month to reflect the use of the asset by the business during the period.

Fixed Assets

A fixed asset is an asset that has a useful life greater than one year. This includes land, buildings, office furniture and equipment (e.g. air conditioning, heating systems), vehicles, IT equipment and other classroom equipment. These are included in the academy balance sheet. Consumables which are used on a daily basis are not fixed assets.

Fixed Asset Register

An inventory of all fixed assets which must include date purchased, the depreciation rate, net book values and the depreciation.

Grant

Funds given to the academy by a third party, subject to complying with any terms and conditions attached to the grant, to purchase unspecified fixed assets.

Recoverable Amount

The cash proceeds when an asset is disposed.

Categories of Fixed Assets

This list describes the categories of fixed assets most commonly used by Academies. It is not exhaustive and other categories may be added but only with the approval of the chief operating officer.

Freehold and Long Leasehold Buildings

The cost of acquiring freehold and long leasehold land and buildings. It includes all external costs incurred as part of the acquisition such as legal and professional fees as well as other costs such as building costs which are necessary in order to bring the asset into use.

The academy trust must seek and obtain prior written approval from the Secretary of State, via the EFA when acquiring a freehold on land or buildings.

Fixtures and Fittings

Items such as shelving, fixed or free standing, soft furnishings and general furniture such as chairs, desks which will last a number of years but not as long as the building in which they reside.

Plant and Equipment

Items such as air conditioning, lifts, heating system, diesel generators and classroom equipment which will be used for several years.

Computer Equipment and Software

Cost of the computer hardware used throughout the academy along with 'significant' software. (Significant software are products that are used by most of the academy trust or without the smooth running of which would cause a loss of productivity. I.e. Windows, Exchange, Lync, Sage, Office, MIS Software, Audit/Helpdesk, Cashless Catering software.).

Criteria for Capitalisation of Assets

Expenditure Eligible for Capitalisation

Authorised and approved expenditure for an item which meets the definition of a fixed asset, and exceeds £5,000, should be identified and flagged as a fixed asset. The asset should be recognised on the academy balance sheet.

The cost of the fixed asset should include the cost of the asset and any other costs directly attributable in bringing the asset into a condition where academy employees can use it. Such costs include, but should not be limited to:

- costs of enhancements (not repairs and renewals), which significantly extend the life of the asset and would not be carried out on a regular basis (e.g. building improvements)
- costs of external consultants whose work is directly attributable to the implementation of the asset

Expenditure Not Eligible for Capitalisation

- individual items costing less than £5,000, unless purchased in bulk as part of a capital project
- costs of staff training as part of normal business activities
- administration and general overheads for running day to day activities
- planning costs relating to initial activities such as option appraisals, feasibility studies, identifying appropriate hardware and applications and selecting suppliers and consultants
- cost of abortive work
- post implementation support and maintenance costs related to software installation

Accounting Treatment (valuation in balance sheet)

Only costs eligible for capitalisation should be entered into the Balance Sheet.

Costs must be allocated against individual fixed assets.

The cost of the asset includes the purchase price (including import duties and non-refundable taxes) and any other direct attributable costs of bringing the asset to working condition. Discounts received should be deducted from the total cost.

Expenditure on enhancing a fixed asset already recognised on the balance sheet should be added to the carrying amount where the expenditure meets the definition above.

Fixed assets purchased with grant money must be clearly identified in the fixed asset register.

Revaluation of Fixed Assets

Freehold and long leasehold land and buildings will be revalued by independent valuers every five years.

Gains on revaluation of fixed assets must be credited to the relevant reserve as follows:

- land and building revaluations should be transferred to a designated revaluation reserve
- losses on revaluation must be debited to the relevant reserve (revaluation, fixed assets revaluation reserve) to the extent that gains have previously been recognised and recorded

Depreciation

Depreciation is charged against fixed assets over the expected useful life of the asset to reflect the usage of the asset over time.

The academy trust uses the straight line method of depreciation where the asset cost is written down in equal annual amounts over its expected useful life.

The period over which the asset is depreciated varies according to the category of the asset.

All tangible fixed assets, other than assets in progress must be depreciated as follows:

Freehold land	2%
Leasehold buildings	2%
Plant & machinery	10%
Furniture and equipment	15%
Computer equipment & software	15%
Motor vehicles	20%

Depreciation will be charged from the month in which a newly purchased asset comes into use.

Depreciation ceases to be charged in the month the asset is disposed.

Disposal of Fixed Assets

When a fixed asset is sold or otherwise disposed, a profit or loss may arise. This is the difference between the total sale proceeds, less the cost of disposing of the asset, and the net carrying amount of the asset.

The profit or loss arising on disposal should be recognised as follows:

- profits on disposal of fixed assets must be included in the income and expenditure account under 'profit or loss on sale of assets'
- losses on disposal of fixed assets must be treated as additional depreciation and included in the relevant account within the income and expenditure account

Any asset that is lost or destroyed, and subsequently replaced through insurance proceeds should be removed from the balance sheet. The profit or loss arising (the difference between carrying amount and insurance proceeds) must be recognised in the income and expenditure account under profit and loss on sale of fixed assets. The replacement asset is capitalised at cost in the normal way.

The academy trust must seek and obtain prior written approval from the Secretary of State, via the EFA, for the following transactions:

- disposing of a freehold on land or buildings; and
- disposing of heritage assets beyond any limits set out in the trust's funding agreement in respect of the disposal of assets generally. Heritage assets are assets with historical, artistic, scientific, technological, geophysical or environmental qualities that are held and maintained principally for their contribution to knowledge and culture, as defined in applicable financial reporting standards.

The academy trust may dispose of any other fixed asset (i.e. other than land, buildings and heritage assets as described above) without the approval of the Secretary of State.

The academy trust must ensure that any disposal maintains the principles of regularity, propriety and value for money. This may involve public sale where the assets have a residual value.

Custodial Review

The fixed asset register must be formally checked to the assets held at least once a year by the finance officer and verified by the chief operating officer.

Appendix I I

Gifts and Hospitality Policy

Introduction

As a general guideline, gifts, hospitality or other personal benefits (hereinafter referred to as “Gifts”) should not be accepted or offered by any member of staff, academy councillor or trustee, except as provided for below.

The intention of the policy is to ensure that CMAT can demonstrate that no undue or improper influence has been applied, or could be perceived to have been applied, by any supplier or anyone else dealing with CMAT. The trust must be able to show that all decisions, whether educational, financial or otherwise are reached on the basis of the proper application of laid-down procedures and for no other reason.

Any breach of this policy could lead to disciplinary action and may constitute gross misconduct.

CMAT encourages and expects staff, academy councillors and trustees to use their networks and contacts for its benefit. It is however a fundamental requirement on all staff, academy councillors and trustees that they must not derive any financial benefit beyond their agreed salary from the decisions they make or contribute to, which involve the education of students, or the spending of the significant sums of public money that are entrusted to the academy trust. Therefore, staff, academy councillors and trustees shall not use their authority or office for personal gain beyond their agreed salary and shall seek to uphold and enhance the standing of the academy by:

- maintaining an unimpeachable standard of honesty and integrity in all their business and other relationships
- complying with the letter and spirit of the law in contractual obligations, rejecting any business practice that might be deemed improper
- at all times in their business and other relationships, act to maintain the interests and good reputation of the academy trust

Any employee who becomes aware of a breach of policy must refer to the academy trust’s whistle-blowing policy and report the alleged breach immediately to his or her line manager who will instigate investigations as necessary.

Any personal interest that may impinge, or might reasonably be deemed by others to impinge, on an employee’s, academy councillor’s or trustee’s impartiality, or conflict with the duty owed to the academy trust in any academy trustee relevant to an employee’s, academy councillor’s or trustee’s duties (such as conflicting business interests) shall be declared in writing. Any member of staff, academy councillor or trustee who is aware of any business dealings conferring personal gain, or involving their relatives or associates must

make an appropriate entry in the register of pecuniary interests. (which is available from the clerk).

The Receipt of Gifts

Staff, academy councillors and trustees are permitted to accept gifts, rewards or benefits from students, students' families, members of the public, or organisations which the academy trust has official contacts with, only where they are isolated gifts of a trivial character, or inexpensive seasonal gifts (such as chocolates, flowers, diaries or calendars). Therefore, gifts should not be accepted if they appear to be disproportionately generous, or could be construed as an inducement to effect a decision or action, whether business, educational, or other.

Where purchased items include a "free gift", such a gift should be either used for academy trust business or handed to the academy trust to be used at charity raffles, pupil prizes, etc. In relation to conventional hospitality (lunches, outings, tickets for events, etc.), it may be accepted provided that it is normal and reasonable in the circumstances. However, invitations for the following should not be accepted:

- where there is no reasonable business justification for doing so;
- where an invitation is disproportionately generous;
- where the invitation could be seen as an inducement to affect a business or other decision;
- any hospitality, other than of a nominal value (estimate of £50.00) or facilities provided during the normal course of business, should be subject to confirmation by the internal audit team and/or the executive principal.

The Providing of Gifts

The academy trust encourages and seeks cooperative relationships between staff, academy councillors, trustees, stakeholders and external organisations. Accordingly there can be occasions where it is appropriate for the academy trust to provide and fund limited gifts, in particular hospitality. Likewise it may be appropriate for leaving gifts to be provided to staff leaving the employment of the academy trust, particularly after a long period of service. Such gifts are often supplemented with private contributions from continuing members of staff.

Appendix 12

Pensions

Under the rules of the Local Government Pension Scheme (“LGPS”) an employer has the right to authorise discretion on a number of matters regarding the administration of the pension scheme. Please click [here](#) for the Local Government Pension Scheme discretions policy.

Appendix 13

CMAT Finance Policy and Scrutiny Committee Terms of Reference

The purpose of this document is to set out how this academy trust, within its overall responsibility for financial resources, will allocate its responsibilities to the finance policy and scrutiny committee and to the principals of each academy.

None of what is set out below can override the requirement on the academy trust to observe the financial regulations and standing orders relating to contracts as set out in the Academies Finance Handbook.

Membership

- a) The finance policy and scrutiny committee shall consist of not less than four trustees / academy councillors and the executive principal (or his/her nominated representative)
- b) Membership will consist of the chairman (trustee or councillor), chair or vice chair of each academy council, one representative from each academy council, chief operating officer and director of finance.
- c) The committee may appoint such co-opted non-voting members as agreed by the academy trust. These members will serve in an advisory capacity and may include staff nominated by the executive principal following consultation with the committee.
- d) Other members of the local governing bodies may attend meetings of the finance policy and scrutiny committee and may contribute on matters under discussion.
- e) By invitation principals of the Academies, ICT Systems manager, Premises manager and finance managers may be requested to attend all or part of relevant meetings.
- f) Only full members of the committee, as approved by the academy trust's terms of governance, shall have the right to vote on any resolution placed before the committee.

Quorum

- g) The quorum shall be four trustees / academy councillors of which at least one must be the executive principal (or his/her nominated representative).
- h) The quorum must remain in place for each vote taken at the meeting, not just if the required number of the academy councillors were present at the start of the meeting.

Meetings

- i) The committee shall meet termly, or more frequently as may from time to time be required.
 - j) Each summer term the trust Clerk shall review the dates of future meetings to ensure that a schedule exists for the next academic year.
- chairmanship

- a) The chairman of the committee shall be appointed by the trust Board biannually following the first meeting of the trust in the relevant academic year.
- b) The chairman of a committee with delegated powers must resign from office, but may remain on the committee, if they subsequently take up employment at the school.

Standing orders

- c) The agenda for the meeting shall be distributed to all trustees/councillors at least seven days before the meeting.
- d) All meetings will be minuted. Draft minutes shall be circulated to all committee members as soon as possible after the meeting.
- e) Where there is an equality of votes for and against a particular resolution, the chair will have the casting vote or may refer matter back to the next full meeting of the trust.
- f) Once minutes have been finalised they will be posted to the trustees secure area of the website and all trustees made aware.
- g) If a trustee is unable to access the internet, or email, paper copies of all relevant documents will be provided in a timely fashion.

Terms of reference

The trust sets the following Terms of Reference, with associated delegated powers, for the finance Committee to:

- a) Provide guidance and assistance to the executive principal in any matters relating to financial responsibilities.
- b) Oversee longer term financial planning and resourcing in the context of the School Development Plans and of the policies and objectives of the academies, and to advise the trustees thereon as appropriate.
- c) Recommend to the trust an annual budget for each academy and Core trust that reflects the strategic and curriculum development plans, reconciling these with the available resources and providing a clear link between development and financial planning.
- d) Monitor spending of official funds against budget during and after the close of the financial year and on a regular monthly basis and to report on significant issues to the trust following each finance Committee Meeting.
- e) Authorise expenditure of a budgeted and non-budgeted nature in accordance with the limits set in the Scheme of Financial Delegation,
- f) Consider and agree the Academies audited accounts
- g) Review, at the first meeting in each academic year, these financial regulations and terms of reference, and make any recommendations for changes to the trust.
- h) Propose/review/ oversee/ matters relating to income generation/ lettings/ banking arrangements, purchasing of support services, etc. To be responsible for the following policies in particular:

Charging Policy
Academy Councillors' Allowances
Financial Regulations
Pecuniary Interests
Lettings Policy
LGPS Exemptions Statement

Accounting Policies

- (a) Set and review annually a charging policy for approval by the academy trust.
- (b) Approve Insurance cover for each academy
- (c) Review all quotations for purchases, in excess of £50,000, over which sum four written quotations should be obtained.

Registration of Pecuniary Interests

In accordance with the Academies Finance Handbook, the trust will establish a register of pecuniary interests for the trustees, academy councillors, senior leadership teams and budget holders, which should be open to inspection. Trustees, academy councillors and senior leadership teams and budget holders will declare any links they have with firms from which the school may wish to buy goods and services. This register should be maintained (by the trust Clerk) and reported to the first meeting of the finance Committee in each academic year.

Financial Responsibilities of the principal

- a) The principal is responsible for the day-to-day management of the school's financial affairs.
- b) Authorise expenditure of a budgeted and non-budgeted nature in accordance with the limits set in the Scheme of Financial Delegation.
- c) The principal is responsible for the preparation of the draft annual budget (and should ensure that a copy of the budget as approved by the trust is submitted to the EFA by the published deadline.
- d) To review the monthly budget monitoring information before presentation to the finance Committee.
- e) The principal is responsible to the finance Committee for ensuring that sound systems of internal control/appropriate separation of duties/delegation to other staff are in place, and for ensuring that Financial Regulations/Standing Orders for Contracts/Financial Control Standards are complied with. See trust finance Regulations / trust Scheme of Financial Delegation / Academies finance Handbook

Declaration of interests

- a) Before discussing or voting on a subject, a member of the finance Committee must declare an interest.
- b) If financial interest is declared it must be recorded in the register of pecuniary interests.
- c) If an interest is declared the member must physically leave the meeting whilst that item is under discussion. The committee does not have the discretion to allow the trustee/academy councillor to stay and listen to the discussion.
- d) The requirement that the trustee/academy councillor must withdraw from meetings on grounds of financial interest does not prevent them from discussing insurance cover for them against liability arising from their work as school trustee / academy councillors.
- e) Members of the finance policy and scrutiny committee who also teach at the school need not withdraw from meetings when their interest in matter being discussed is not greater than the interest of the generality of teachers at school. (Ref: The Education (School Government) Regulations 1989 – Part 5 Regulation 14).

2017

These Terms of Reference and Standing Orders were approved by the trust on

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...

Signature of Chairman of Trust

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Appendix 14

Glossary of acronyms

EFA – Education Funding Agency

CMAT – Cambridge Meridian Academies Trust

ESG – Education Services Grant

GAG Funding – General Annual Grant

DfE – Department for Education

LA – Local Authority

RFQ – Request for Quote

TFEU – Treaty on the Functioning of the European Union

TOR – Terms of Reference

SDP – Strategic Development Plan

Appendix 15

The meaning of ‘member’, ‘trustee’, ‘director’ and ‘academy councillor’

‘Member’

The members of an academy trust have a different status from the trustees. The members are the subscribers to the trust’s memorandum of association, and any other individuals permitted to become members under its articles of association. Members have an overview of the governance arrangements of the trust and have the power to appoint trustees and remove these trustees.

Members can amend the articles and may do so to support stronger governance arrangements. For details on making changes to the articles, including circumstances in which Charity Commission approval is required, please see the Charity Commission guidance CC36: Changing your charity’s governing documents.

While members can also be trustees, retaining some distinction between the two layers ensures that members, independent of trustees, provide oversight and challenge. This is especially important in multi-academy trusts in which trustees are responsible for a number of academies.

Academy trusts should be established with at least three members, although the Department for Education (DfE) encourages trusts to have at least five members in total, as this:

- ensures enough members can take decisions via special resolution (which requires 75% of members to agree) without requiring unanimity, and
- facilitates majority decisions being taken by ordinary resolution (which requires a majority of members to agree)

Governance structures in which members are also employees are not considered by DfE to be best practice. Members **must not** be employees of the trust unless permitted by their articles of association. The latest model articles do not allow members to be employees.

‘Trustee’, ‘director’ and ‘academy councillor’

In this handbook there are frequent references to trustees. This is the same body of people as both the directors of the company and the ‘governors’ of a single academy trust; these words are used interchangeably.

They are the people responsible under the academy trust’s articles of association for controlling its management and administration. They have responsibility for directing its affairs, and for ensuring that it is solvent, well-run, and delivering the trust’s charitable outcomes for the benefit of the public.

Single academy trusts have members and trustees. Multi-academy trusts have different governance arrangements because they are established to oversee and manage more than one academy. They typically have members, trustees, and local governing bodies. CMAT has academy councils in lieu of local governing bodies. Individuals who sit on a local governing body at a constituent academy in a multi-academy trust may not necessarily be trustees of that overall trust, but can have duties delegated to them by the trustees.

Individuals **must** ensure that they fully understand their duties as company directors and charity trustees. The duties of company directors are described in sections 170 to 181 of the Companies Act 2006. The role and duties of charity trustees are described by the Charity Commission in their guidance CC3: the essential trustee: what you need to know, what you need to do.

De facto trustees

Academy trusts **must** not have de facto trustees (as defined in appendix 1 of the Charities SORP 2015) or shadow directors (as defined in section 251(1) of the Companies Act 2006).