



Education Trust

‘Inspiring the individuals of today, for a better society tomorrow,
“Aspire, Belong, Collaborate”

RET FINANCE POLICY

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Introduction

The purpose of this policy is to ensure that the Riviera Education Trust (“RET” or “the MAT”) maintains and develops robust systems of financial control, which meet the requirements of financial accountability and managing public money. It is important for RET Trustees and staff, to demonstrate that they do not benefit personally from the decisions they make with regards to the spending of public money.

The MAT is committed to ensuring that sound financial controls are in place across all schools in order to achieve value for money and to be worthy custodians of public money. This is part of the assurance process in order for the Accounting Officer to be able to sign the annual statement in accordance with the Academy Trust Handbook (ATH).

In order to achieve these aims the Trustees and Accounting Officer have drawn up this finance policy to provide guiding principles that all Trustees, Governors and staff will operate within.

It is essential that the principles meet the requirements of the funding agreement made between the MAT and the Department for Education (DfE) under section 1 of the Academies Act 2010 (the Funding Agreement).

Any systems and processes implemented as a result of this policy must operate properly to meet the requirements of good financial management, the Funding Agreement and the key standards within the Academy Trust Handbook.



ORGANISATION

Legal Framework

The policy has due regard in the first instance to the latest edition of the Academy Trust Handbook (ATH).

It will also have due regard to:

- Companies Act 2010
- The current Teacher Appraisal Regulations
- The requirements of Academies financial returns

It will also operate in conjunction with:

- Pay Policy(ies)
- Charging and remissions
- Gifts
- Reserves policy
- Competitive Tendering policy
- Investment Policy

The MAT's members

The members are responsible for:

- Appointing the Trust's auditors and receiving the trust's audited annual accounts
- Conducting the business of the Trust in accordance with company and charity law and adhering to the Trust's funding agreement with the Secretary of State.

The Trustees/ Board of Trustees

The Board of Trustees of the MAT has wide responsibilities under statute and regulations, charity law and the Funding Agreement. It is specifically responsible for ensuring that the MAT's funds are used only in accordance with the law. Although the Board of Trustees has wide discretion over its use of the MAT's funds, it is ultimately responsible for the proper stewardship of those funds and for ensuring both value for money and that funds received are used only for the purpose intended.

It must also ensure that it uses its discretion reasonably, and takes into account any and all relevant guidance on accountability or propriety.

The Trustees (and, where relevant authority is delegated, the Governors sitting on the Local Standards Boards (LSB) of the individual academies making up the MAT (the Academies)) will manage their affairs



in accordance with the high standards as detailed in “Guidance on Codes of Practice for Board Members of Public Bodies” and in line with the seven principles of public life:

Selflessness

Holders of public office should take decisions solely in terms of the public interest.

Integrity

Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might influence them in the performance of their official duties.

Objectivity

In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merits.

Accountability

Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.

Openness

Holders of public office should be as open as possible about all decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.

Honesty

Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.

Leadership

Holders of Public Office should promote and support these principles by leadership and example.

Managing the Academy Finances

The Board of Trustees has overall responsibility for administration of the MAT's finances.

The main responsibilities of the Trustees are prescribed in the Funding Agreement. The main responsibilities include:

- Ensure the grant from the DfE is used for the purposes intended
- Ensure that funds from sponsors are received according the Funding Agreement, and are used for the purposes intended



- The board is responsible for overseeing the financial performance of the Trust, approving the annual budget and 3 year budget and submission of returns to the DfE Approval of the annual budget
- Appointing an Appropriate Accounting Officer
- Appointment of CEO
- Appointment of the Chief Finance Officer, in conjunction with the CEO
- Approve contracts over £50,000
- Ensuring the fixed assets are appropriately managed
- Approving severance and compensation payments up to £50,000 (after which, must seek DfE approval)
- Appointing the finance committee and approving its terms of reference

The Accounting Officer

The accounting officer is currently the CEO of the Trust and has responsibility for:

- Sharing the DfE's '**Dear Accounting Officer**' letter with the members, trustees, the CFO, Clerk and other members of the Trust leadership team (SLT), arranging discussion where appropriate, to strengthen financial decisions, systems and controls
- Lead the Trust on achieving VFM whilst seeking to secure the best possible educational outcomes
- Ensuring regularity alongside the Chief Finance Officer, Finance team and Audit Committee, and SLT, in accordance with the funding agreement and latest AFH.

The Finance, Audit & Risk Committee

The Trust has established a Finance, Audit & Risk Committee. This will meet at least termly and has set Terms of Reference which has delegated responsibilities and includes:

- Overseeing the budget setting process and proposing the annual budget to the Trustees
- Monitoring budgets including those related to Training School Activities
- Reviewing and monitoring all financial policies under the scope of the Committee to check compliance
- Ensure the Annual Report and Accounts are produced in accordance with the Academies handbook and Academies Accounts Direction.
- Ensure a strategic financial view of the operations of the Trust
- Ensure effectiveness of financial control
- Ensure assets are managed and a strategic plan is in place to manage the schools' estate
- Ensure appropriate work on Strategic Risk Management
- Consider and report to Trustees on Audit reports



- Meeting the requirements of the Audit & Risk Committee as set out in the Academy Trust Handbook.
- Where a school goes into a deficit budget, ensure the DfE is notified within the prescribed timescales and agree a strategic recovery plan is put in place with temporary suspension of delegated expenditure limits (as set out later in the policy)

The Accounting Officer and Heads of School

The Accounting Officer has overall executive responsibility for the MAT.

The Accounting Officer is the CEO of the Trust who is personally responsible to the Trustees for:

- Ensuring regularity and propriety
- Prudent and economic administration
- Avoidance of waste and extravagance
- Efficient and effective use of available resource

The Accounting Officer has the duty to take action if the Trustees, Head of schools or Chair are contemplating a course of action, which he or she considers an infringement of propriety or regularity. Objections should be put in writing to the Trustees and details sent to the MAT's Internal Auditors in the first instance.

The Accounting Officer may delegate, or appoint others to assist in these responsibilities.

Each Head of school retains responsibilities for:

- Approving new staff appointments within the Academies, in consultation with CEO, Finance, Audit and Risk Committee and by reference to Pay Policy. (See Section 5)
- Authorising contracts between £1,000 and £9,999 in conjunction with the Chief Finance Officer/Finance team
- Proposing a planning cycle and timetable for the School Development Plan

The Chief Finance Officer (CFO)

The CFO works in close collaboration with the Accounting Officer and Head of Schools through whom he or she is responsible to the Trustees. The CFO also has direct access to the Trustees via the Finance, Audit & Risk Committee and Governors through LSBs.

The main responsibilities of the CFO are:



- The day to day management of financial issues for the MAT, including the establishment and operation of a suitable accounting system
- Providing the financial expertise to support the management of the MAT's financial position at a strategic and operational level within the framework for financial control determined by the Trustees
- The maintenance of effective systems of internal control
- Ensuring that the annual accounts are properly presented and adequately supported by the underlying books and records of the MAT
- The preparation of monthly reconciliations and monthly management accounts.
- Authorising orders per delegated authority in conjunction with budget holders
- Authorising payments/signing cheques in conjunction with the authorised signatories
- Ensuring forms and returns are sent to the DfE and their Agencies in line with their reporting deadlines
- Lead on liaison with Internal and External Auditors
- Ensuring the payroll processes meet with compliance and to internally and externally determined deadlines
- Ensure VAT claims are processed

Internal Audit

In line with the Academy Trust Handbook, the Trust must have a programme of internal scrutiny to provide independent assurance to the Board that its financial and nonfinancial controls and risk management procedures are operating effectively. Internal Audit scope encompasses all the Trust's activities, its risk management, control and governance.

The main responsibility of Internal Audit is to provide the Board of Trustees, and senior management with assurances on the adequacy of the systems of governance, risk management, internal control, the prevention and detection of fraud and error, and value for money.

The Audit and Risk Committee oversee and approve the Trust's programme of internal scrutiny to ensure risks are addressed. An annual programme of audit will be agreed with the Trustees and the Internal Audit function will carry out reviews in order to provide the Trustees and indirectly the Department for Education with the required assurance. Trustees are free to make suggestions of areas they would like to see covered, at any time throughout the year.

Other Staff

Other members of staff may have some financial responsibilities and these are detailed within sections of this policy. All staff will be responsible for the security of the MAT property, for avoiding loss or damage, for ensuring economy and efficiency in the use of resources and conformity with the requirements of the MAT's financial policies and written procedures.



Register of Interests

It is vital that Trustees, Governors, and staff act, and are seen to act, impartially. All Trustees and Governors are therefore required to complete a declaration of business interests. The Head of schools and other senior member of staff are also required to complete declaration.

Declarations should include all business and pecuniary (monetary) interests such as directorships, shareholdings and other appointments of influence within a business or other organisation. They should also include interests of related persons such as a parent, spouse, child, cohabitee and business partner where that person could exert influence over a Governor, Trustee or member of staff.

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

FINANCIAL PLANNING & THE ANNUAL BUDGET

Financial planning is an essential part of good financial management and provides a clear view of how the MAT intends to use its resources. The Academy Development Plan should cover, in outline, the MAT's and the Academies' educational priorities and budget plans for at least the next three years, showing how the use of resources is linked to the achievement of the MAT's goals. Schools will also have School Improvement Plans (SIPs) following the same principles.

The budget documentation will be cross referenced to specifically identify expenditure which will be earmarked for development and transformation of the MAT and each Academy.

The Chief Financial Officer is responsible for the preparation of the three-year plan and the obtaining of approval of the annual budget.

The approved budget forecast must be submitted to the DfE by August each year or within six weeks of receipt of the final funding letter (whichever is the later) and the Chief Financial Officer is responsible for establishing a timetable, which allows sufficient time for the approval process and ensures the submission date is met.

The annual budget will reflect the best use of resources available to the MAT for the forthcoming year and will detail how those resources will be utilised, in line with the School Development Plans.



The budget planning process will incorporate the following elements:-

- Forecasts of likely pupil numbers to estimate the amount of DfE grant receivable
- Review of other income sources and allocation of overheads
- Historical review of past performance against budgets
- Identification of potential efficiency savings
- Annual review of expenditure headings to reflect known changes

The draft budget should be presented to the Head of schools, the Finance, Audit & Risk Committee and full Board of Trustees together with a supporting report for approval. Once the draft budget is agreed this should be communicated to all responsible budget holders to ensure they are aware of the overall budgetary constraints.

The budget should be seen as a working document which may need revising throughout the year as circumstances change.

Significant changes to the budget plan submitted to the DfE as part of the budget forecast process will be notified to the DfE in accordance with the ATH

The MAT will manage tax affairs as efficiently as possible in regard to the application of DfE funding. This will include careful planning for PAYE and VAT consequences of any actions. Local advice from HMRC will be sought in complex cases.

Strategic Trust Development Plan

The Trust Development Plan is concerned with the future aims and objectives of the MAT and the Academies and how they are to be achieved; that includes matching the MAT's 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.

School Improvement Plans

The School Improvement Plans are concerned with the future aims and objectives of the academies within the MAT, how they are to be achieved; that includes matching the MAT's and schools' objectives and targets to the resources expected to be available.



The form and content of the School Plans are matters for the MAT to decide but due regard should be given to the matters included within the guidance to Academies and any annual guidance issued by the DfE.

Each year the CEO in conjunction with Head of schools will propose a planning cycle and timetable to the Trustees which allows for:

- A review of past activities, aims and objectives
- Definition or redefinition of aims and objectives
- Development of the plan and associated budgets
- Implementation, monitoring and review of the plan
- Feedback into the next planning cycle

The timetable will specify the deadlines for the completion of each of the key stages described above. Lead responsibility for the completion of each of the stages will be assigned by the Head of schools. The plan will include detailed objectives for the coming academic year and outline objectives for the following two years. It should include estimated resource costs, both capital and revenue, associated with each objective and success criteria against which achievement can be measured.

BUDGET MANAGEMENT

The CFO will monitor the actual performance against budget on a monthly basis – this will be discussed with the Heads of School and CEO each month.

The Finance, Audit and Risk Committee will receive at least termly budget monitoring reports from the Chief Financial Officer on current spend against budget and forecast outturn expenditure, with a monthly report to the Chair. Management accounts will be shared with other Trustees six times a year. The reports should include:

- an income and expenditure account, with variances to budget and reforecast.
- balance sheet.
- cash flow forecast.
- summary reports highlighting variances and action required.
- relevant KPIs.

The MAT monitors the budget on a termly basis to ensure the following:

- To ensure that income and expenditure in the year to date is in accordance with the budget plan; and
- To project the income and expenditure to the year end to ensure that the MAT is on course to deliver on its Budget plan.



- As a result of this information the MAT will adjust if necessary its plans for the remainder of the year. This will involve either changing plans for income and expenditure over the remainder of the year to deliver the budget plan and/or seeking approval for a change in the MAT's budgeted surplus or deficit target for the year end. Any change to the budgeted surplus or deficit must be approved by the Finance, Audit and Risk Committee
- If there is to be a significant change to the MAT's projected deficit or surplus, this should be notified to the full Board of Trustees. The board will then consider the options regarding appropriate action to be taken to correct any significant over or under spending.
- The committee will suspend delegated spending authority to any school within the MAT going into an in-year deficit position and establish a plan to support the financial stability of school and Trust as a whole.

The Head of schools may delegate elements of the budget to staff where this is appropriate. These budget holders must operate within the same objectives and controls as those agreed for the MAT as a whole. Delegated budget holders will be provided with sufficient information to enable them to perform adequate monitoring and control. Such budget holders are accountable to the Head of school who is responsible for ensuring mechanisms exist to enable such delegated budgets to be monitored and managed.

Any potential overspends against the budget must in the first instance be discussed with the CFO. The accounting system is set so as to not permit payments to be made against an overspend budget without the approval of the CFO.

Virements of up to £10,000 between costs centres should be authorised by the Head of School in conjunction with the CFO. Virements above £10,000 and up to £30,000 must be agreed by the CEO, and over £30,000 by the Finance, Audit & Risk Committee. Virements exceeding £50,000 to be agreed at Board of Trustees.

The Chief Financial Officer will report all Budget Adjustments/virements to the Finance, Audit & Risk Committee.

The Finance, Audit & Risk Committee will continually monitor the quality of the financial Information presented to the Committee to ensure that what is provided remains appropriate, particularly in terms of its timing, level of detail and narrative.



ACCOUNTING SYSTEM

All financial transactions must be recorded on the MAT's chosen financial system. Access rights within the MAT's accounting package should be defined for each user with a unique ID and password.

- All financial transactions relating to the MAT's budget must be recorded using the finance system. There must be a clear audit trail for all financial transactions from the original documentation to accounting records. Finance records must be stored for 7 years in accordance with the Companies Act.
- Only authorised staff will be permitted access to the accounting records, which should be securely retained when not in use.
- Authorisation and supervisory controls should be adequate to ensure transactions are properly recorded or that errors are identified.
- All records should be protected against unauthorised modifications, destruction, disclosure or loss whether by accident or intention.
- The finance system must be protected by robust back up procedures.

Transaction Processing

- All journal transfers to be periodically reviewed by the CFO.
- Bank Transactions should be recorded by the Trust Finance Staff
- The Chief Financial Officer will obtain and review system reports to ensure only regular transactions are posted to the accounting system.
- The Chief Financial Officer will ensure monthly reconciliations in respect of the Sales, purchase, payroll, suspense and bank balance (per the nominal ledger to the bank statement)

Consideration should be given to access levels needed to the system purchased, and the likely number of users needed for the licence. This should include consideration of access levels for those covering staff absences, and those whose main function is to review transactions and balances rather than to input detailed transactions

Systems will be put in place to protect key computer data and control features will include:

- Back-up Procedures
- Passwords and Multi Factor Authentication
- Disaster recovery plans



FINANCE STAFFING

Staffing, Training and Cover Arrangements

The appointment of staff should be made with due regard to the qualifications and capabilities commensurate with their duties. Inevitably, the proper functioning of any system depends on the competence and integrity of those operating it. The qualifications, experience and personal qualities of those involved with financial arrangements are important features of an effective control system.

Consequently, the Trustees and Senior Leaders should establish procedures to ensure that: -

- personnel are competent, suitably qualified and trained to perform at a level commensurate with their responsibilities.
- clear statements of criteria for personnel selection and formal job descriptions are maintained.
- the finance staffing levels are adequate.
- there are effective arrangements in place to deal with the absence of key financial personnel

Training / development

The CFO should keep under review any training needs and opportunities for staff, particularly for those with financial responsibilities and report to the Finance, Audit and Risk Committee as appropriate. Training is available through a number of organisations both in relation to general financial principles and procedures and more specifically in relation to the accounting requirements of schools.

Cover Arrangements/ Business Continuity

In the absence of a key member of staff, arrangements will be made to ensure the effective operation of the finance function and to ensure that financial control is maintained. The CEO/Head of school will ensure that this will be achieved through a combination of:-

- Work shadowing
- Documented financial procedures
- Specified cover responsibilities within job descriptions
- Support from external organisations

Business processes



MONITORING PAYROLL

The Trustees will approve a personnel establishment (staffing structure) for the MAT. Changes can only be made to this establishment with the approval, in the first instance, of the CEO or CFO who must ensure that adequate budgetary provision exists for any establishment changes. This will be reported to the Finance, Audit and Risk Committee/Board termly to staffing decisions and appointments are made with consideration to financial viability of the school and MAT, in the short, medium and long term.

The Head of Schools have the authority to appoint staff within the authorised establishment except for Deputy Head of school, CFO and Clerk to Trustees whose appointments must follow consultation with Board of Trustees. Responsibility for the management of personnel files is delegated to HR. All new employee records are held electronically, with HR overseeing their security and updates. Existing physical personnel files remain in place under HR's responsibility.

All Payroll transactions relating to MAT staff, permanent or casual, will be processed through the Contracted Payroll & Pensions Services. Payments for employment will not be made to staff through any other mechanism, except in exceptional circumstances where an interim payment may be made through BACS with the authorisation of the CEO/Head of school. Any such payments must be notified to payroll and recovered on a subsequent payroll run.

Salary payments, supply and additional claims are processed via the payroll system and will be authorized as per the delegation of authority in Scheme of Delegation of Financial Powers.

Employees are required to up date their bank details using their login to the payroll system. If there are any requests from staff to change bank details, the staff member will be contacted verbally (phone call or in person) to confirm if the email is genuine, and to advise they need to process the change in the payroll system.

Physical files are stored in a lockable, fireproof cabinet located behind a locked door, ensuring two layers of security. Access to personnel files, whether electronic or physical, is restricted to HR staff and designated personnel responsible for HR procedures. Staff may request to view their own personnel file in accordance with data protection policies.

The designated personnel staff are responsible for keeping the staff personnel database up-to-date via Trust MIS/Personnel system.

Monitoring of the Salaries Budgets



The Chief Financial Officer will undertake a monthly reconciliation between the downloaded payroll information from the Payroll Contractor's Payroll & Pensions Service and the payroll system calculations for gross salary, National Insurance and Pension Scheme (s).

Staffing budgets will be monitored monthly by the CFO / Finance and HR, and any significant variances reported to the Finance, Audit & Risk Committee.

PURCHASING

Value for Money

The Trustees, Governors and staff aim to achieve best value for money from all its purchases. The Chief Accounting Officer/Head of schools are responsible for ensuring procedures are in place for testing the market, placing of orders and paying for goods and services in accordance with financial regulations and with independent validation of performance achieved wherever practicable.

A large proportion of our 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 – an approach to all interested parties in the disclosure of information that lends itself to necessary scrutiny.
- Accountability – the process whereby individuals are responsible for their actions and decisions.
- Fairness – that all those dealt with by the MAT are dealt with on a fair and equitable basis.

The Chief Accounting Officer and Head of schools are ultimately responsible for ensuring procedures are in place for testing the market, placing of orders and paying for goods and services.

Separation of Duties

In order to reduce the risk of error or intentional manipulation, the Chief Financial Officer will ensure the clear separation of duties within the finance team(s), which would, if combined, not enable one individual to record and process a complete transaction.

Wherever possible duties will be separated in accordance with the following criteria:

- authorisation – of a transaction such as a purchase order or payment
- execution – the placing of an order, receiving of goods and services
- custody – the holding of goods and services
- recording – the completion of accounting records



Separation of Duties	
Orders raised (through requisition form)	Designated staff
Orders processed	Finance Department
Orders authorised	Head/Deputy Head/Assistant Head of School to £10,000. Director of TTSA to £5,000 CEO to £50,000 following Board approval and compliance with Competitive Tendering policy CFO to £10,000
Goods & services checked in	Budget Holder/School Office
Payments processed or returns made	Finance Department
Payments authorised	CEO/Head of school/CFO/Finance Officers (two staff from combination of the above)

Refer to the Competitive Tendering Policy for how the Trust undertakes tendering processes in accordance with financial regulations and to ensure value for money is achieved.

Orders for Goods and Services

Budget holders will be informed of the budgets available to them early in the academic year. It is the responsibility of the budget holder to manage the budget and to ensure the funds available are not overspent. Budget holders will be responsible for authorising any request for the purchase of goods or services from their own budgets, once they have determined that their budget has sufficient funds to meet the order.

Orders are to be placed using requisition forms (within the finance system). These will be converted into a purchase order, which is to be signed by the budget holder. Budget holders must ensure there is sufficient budget available, prior to approving the PO.

Delivery of all goods must be to Trust premises only and not to an employee's home address. On receipt of goods, the department receiving the goods must undertake a detailed check against the delivery note, make a record of any discrepancies and query with the supplier immediately.

It is intended that orders will be raised using the financial system except for those where it is not practical to raise a purchase order on the system, including

- Items purchased by the premises team up to £100
- Cash purchases
- Utilities, phone charges, council tax etc.

- Bank charges
- Pre-existing long-term contractual arrangements (ie catering)

The policy also allows for an exemption for the following purchases from the standard procedure, due to the urgent nature of the spend. Where possible the standard procedure will be followed, but the budget approval provides authorization for these purchases

- Emergency premises call out/repair
- Emergency Teacher Supply – first week
- Crisis Alternative Provision – first week
- Adhoc Legal Fees

Where the value of an order is over £10,000 the requisition must be accompanied by the appropriate number of quotes, as set out in the Competitive Tendering policy. However, the Trust would usually seek alternative quotes where the initial quotation received exceeds £4,000.

Telephone/direct verbal ordering will be permitted only in situations where raising an official order is not practicable and with prior approval from the Head of School (or appropriate delegated authority). In such cases, a written confirmation order will be raised as soon as possible, normally within 24 hours.

Payment of Accounts

Invoices will be paid when the budget holder has shown approval that goods or services have been received and are of the quality expected. Any discrepancies must be notified to the Finance Officer for appropriate action to be taken.

The MAT will aim to make payments within 30 days from receipt of the goods or services, and discounts taken for quick payment where appropriate. Payment should be received by the supplier within the 30 days. If payment is made outside the terms of payment, the MAT may be liable to a financial penalty under the provision of the Late Payments of Commercial Debts Act 1998. For new suppliers or changes to suppliers details, contact name will be independently verified and a request made to send bank details, on headed paper, to the finance department.

Changes to supplier bank details must always be independently verified using known contact details and never solely from information contained within an email.

The Finance Administrator/Officer will ensure that cheques are sent out with the required number of signatures and that all controlled stationery is stored in a locked cupboard. All cheques and cash are to be stored in the safe and the keys held by designated staff in line with Insurance requirements.

Charge Cards



The CEO or CFO will approve any applications for charge cards, including who will use the card and any associated credit limits. The decision will be fully minuted at the Finance, Audit and Risk Committee for audit purposes.

The Business Limit is £38,000. The individual card limits agreed by the CEO, as at September 2023 is:
Trust staff: CEO, Stewart Biddles up to £2,500. CFO, Lee Vallance, up to £5,000. Finance Officers, Tracy Snowden, Louise Ashton both up to £5,000
Heads of School are authorized for up to £1,000 each

An additional two cards will be held centrally to be used for specific one-off circumstances such as trips, events, staff attending courses or visits with an overnight stay etc. Use of these cards will be delegated by the CEO/CFO. The standard limit is £200, however can be increased at the discretion of the CFO, depending on the requirement and need.

The CEO/CFO will ensure that cards will only be used by the Head of School and nominated staff. All cards will be held securely at all times, by the designated cardholder. Only staff members who have been issued a card are allowed to make purchases with the card. All staff issued with a payment card must sign protocol regarding the use of the cards.

Any staff member who is found to be mis-using the card in any way will have the card removed from them; appropriate action will be taken, and the disciplinary process will be followed. The FAR Committee of Trustees will be informed. Receipts for any purchases must be obtained (VAT receipts where VAT paid and reclaimed) for input into the Finance system, by either the school or the Trust Office.

No personal purchases are to be made on the card.

Charge cards should be reconciled monthly, and authorised by the CFO.

Staff wellbeing expenditure

The Trust recognises that promoting staff health and wellbeing contributes to improved attendance, retention, morale and organisational effectiveness. Expenditure on staff wellbeing may therefore be authorised where it is reasonable, proportionate, and demonstrably supports the Trust's strategic objectives.

The Trust will ensure that all staff wellbeing expenditure complies with the principles of regularity, propriety and value for money set out in the Academy Trust Handbook.

Loyalty and Reward Schemes



Where purchases are made on behalf of the Trust, employees must ensure that purchasing decisions are made solely in the interests of the Trust and represent good value for money.

Any personal benefit arising from a purchase, such as loyalty points, cashback or reward scheme benefits, must not influence the choice of supplier or purchasing decision. Employees should be able to demonstrate that the purchase was made in accordance with the Trust's procurement procedures and achieved value for money.

Where there is any uncertainty or a potential conflict of interest, advice should be sought from the Chief Finance Officer.

LIMITS OF DELEGATED AUTHORITY – spending limits and budget adjustments

The Trustees recognise the importance of clearly defining the roles and responsibilities of its committees, the Head of school and other staff. The terms of reference for the Trustees' Finance, Audit and Risk Committee are laid out in a separate document as agreed or reviewed by the Board of Trustees at its meeting in and is reviewed annually at the first meeting of the Finance, Audit and Risk Committee for each academic year.

In accordance with the MAT's needs and priorities as laid out in the MAT's Improvement Plan, the following arrangements have been approved in relation to the MAT Budget, other external income managed within the context of the overall MAT budget.

The Board of Trustees will decide how to spend the budget allocated subject to: -

- any conditions in the ATH and DFE guidance included to protect its legal duties;
- the budget must be spent only for the purposes of the MAT.
- In relation to any other earmarked funding - any conditions appertaining to the grant.

Authority has been delegated from the Trustees: -

- to the CEO and Head of schools to authorise spending as required subject to the necessary budget provision being available and in compliance with the Scheme of Delegation and/or Competitive Tendering Policy
- to the responsible grade of staff and or Trustees as set out in the attached appendix and competitive tendering policy to authorise spending on any one order up to the sums specified and to authorise virements from one budget heading to another up to the sums specified.



CASH PURCHASES

Small Items of Expenditure

It is intended that there will be no cash held for small purchases on site at any of the schools, and that purchases should follow the standard purchasing process. Should a member of staff purchase items for school purposes and require reimbursement, this should be obtained via the expenses process with approval from the appropriate budget holder. These processes can be found in the expenses policy.

Whilst it is intended that there will be no cash purchase, the policy does allow that each school in the MAT may be permitted to maintain a maximum cash balance of £200, subject to approval by the CFO. Any cash held is administered by the Office Administrators and is kept in the office safe. Any reimbursement of purchases using petty cash must be authorised by an appropriate budget holder. Payments of petty cash will not be made without receipts and a signature on the Petty Cash Record sheet.

Up to £100 may be made available to the Premises department for 'over the counter' purchases of goods and materials for repairs and improvements.

VAT receipts will be obtained for purchases where appropriate.

Any outstanding balance of the Petty cash is reconciled at least once a term and details held in a file. The reconciliation will be approved by a senior member of Finance Staff.



INCOME AND BANKING ARRANGEMENTS

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

Other Income

Trips

A lead officer must be appointed for each trip to take overall responsibility for budgeting for the trip in conjunction with finance staff. The Trust utilises an online parental payments system to record and collect the sums due. The lead must ensure that a payment request is set up for each student intending to go on the trip showing the amount due. The trips are monitored to check who has paid and who is outstanding and outstanding payments are followed up.

For a residential trip the parental payment system, will maintain records of up to date payments made by students showing the amount paid and the amount outstanding. The Lead should ensure that this record will be sent to the lead teacher on a timely basis.

Lettings

The policy for lettings of premises is contained in a separate document. The policy and charges will be reviewed annually and approved by the Finance, Audit and Risk Committee.

The Finance Team are responsible for maintaining records of bookings facilities and for identifying the sums due for each organisation. Payments must be made in accordance with the terms set out in the hire agreement for these facilities.

The Finance Team will be responsible for chasing outstanding debts, no debts will be written off without the express approval of the Trustees if the value is over the delegated limit.

The DfE prior approval is also required if the debt to be written off is above the value detailed in the funding agreement.

Childcare provision fees

The parental payments system will also be the primary method for the payment of Breakfast Club, After School Club and Nursery fees where these are in operation in schools within the Trust. The office manager is the lead in ensuring that payment requests are set up correctly and timely and



outstanding payments are monitored and followed up in accordance with debt recovery procedures. This may be done in conjunction with the finance department.

The charges for these provisions are set annually by the Finance, Audit and Risk Committee.

Custody

Official, pre-numbered receipts will be issued for all cash and cheques received where no formal documentation exists. All cash and cheques must be held in the school safe prior to banking. Banking will take place every week or more frequently if the sum exceeds £2,000.

The Finance Assistant is designated as responsible for preparing reconciliations between sums collected, the sums deposited at the bank and the sums posted to the accounting system. Reconciliations must be prepared promptly after each banking transaction and must be reviewed and certified by the CFO. The FA checks the bank daily and will query any unexpected transactions.

Debtors

Debts may be written off in accordance with the delegated limits as set out within this policy

No other debts will be written off without the approval of the Trustees

The DfE's prior approval is also required if debts to be written off are above the value set out in the annual funding letter.

The following debt recovery policy will be applied:

- The Trust will maintain a policy of not allowing debts by parents to accumulate. Payment for wraparound provision and nursery should be paid in advance.
- If a parent account is in debt, a reminder will be sent asking for payment within 7 days with a threat of further (unspecified) action to recover the debt.
- If payment is not forthcoming, a further reminder will be sent. If the debt is over £500, a threat will be issued to put the matter into the hands of the nominated Solicitor if payment is not received within the next 7 days.
- If payment is still not forthcoming, for debts over £500, a nominated Solicitor will be asked to consider whether to pursue the debt. If so the debtor will be notified accordingly.



- Debts of £500 and less will be pursued without reference to the nominated Solicitor and will be reported on at Finance, Audit & Risk Committee meetings where governors will decide on action to be taken.
- The current aged debtors report together with details of any debts written off (under £500) and solicitor's letters sent will be provided for annually to Finance, Audit & Risk Committee.

Gifts and Hospitality

Any gifts, including hospitality, received with a value in excess of £25 will be reported to the Finance, Audit and Risk Committee. This excludes voluntary gifts made to teachers/support staff by parents on occasions such as Christmas/end of year etc.

Fee and Charges

The Academy will normally set fees for its chargeable services at full cost, but it may include an additional rate of return, when in a commercial environment. The fees and charges to be charged should be determined in accordance with chapter 6 of HM Treasury's "Managing Public Money" and recorded in the charging and remission of fees policy.

BANK ACCOUNTS

The opening of all bank accounts with new institutions must be authorised by the Trustees who must set out in the Scheme of Delegation the signatory arrangements covering the operation of accounts.

The operation of systems such as Bankers Automatic Clearing System (BACS) and other means of electronic transfer of funds must also be subject to the same level of control.

Deposits

Particulars of any deposit must be entered in a paying in slip and should include:

- The amount of the deposit and
- A reference, such as the name of debtor or number of receipt

Payments and Withdrawals

All cheques and other instruments authorising withdrawal from the MAT bank account must bear signatures of two of the following authorised signatories, one of whom must be either the CEO and/or CFO.



- Chief Execution Officer
- CFO
- Finance Officer

This provision applies to all accounts, public or private, operated by or on behalf of the Trustees of the MAT.

Bank Reconciliations

The Chief Financial Officer must ensure bank statements are received regularly and that the bank account is reconciled to the MAT's cash book on a monthly basis. Any adjustments arising should be dealt with promptly. The reconciliation must be reviewed by the Accounting Officer.

Cash Flow Forecasts

The Chief Financial Officer is responsible for preparing cash flow forecasts to ensure that the MAT has sufficient funds available to cover day-to-day operations. If significant balances can be foreseen, steps should be taken to invest the extra funds in accordance with the Investment policy.

Investments

Investments must be made only in accordance with written procedures within the Investment policy, approved by the Trustees.

FIXED ASSETS

All items purchased with a value of over £1,000 (capitalisation limit) must be entered in an asset register. The asset register should include the following information:

- Asset description
- Asset number (if applicable)
- Date of acquisition
- Asset cost
- Source of funding
- Expected useful economic life
- Depreciation
- Current book value
- Location

The asset register helps to ensure that staff, take responsibility for the safe custody of assets, acts as a deterrent for theft, manages effective utilisation of assets and helps to plan for their replacement. It



also helps the external auditors to draw conclusions on the annual accounts and the MAT's financial system and finally to support insurance claims in the event of fire, theft, vandalism or other disasters.

Security of Assets

All items in the register should be permanently and visibly marked as the MAT's property and there should be a regular annual count.

An inventory should: -

- form an important part of each Academy's procedures for ensuring that staff take responsibility for the safe custody of assets.
- enable school management to undertake independent checks on the safe custody of assets, as a deterrent against theft or misuse.
- help each Academy to manage the effective utilisation of its assets and to plan for their replacement.
- support insurance claims in the event of fire, theft or other losses.

Discrepancies between the physical count and the amount recorded in the register should be investigated promptly and, if significant, reported to the Trustees.

Inventories should be kept up to date and reviewed annually.

Disposal of Assets

Items which are to be disposed of by sale or destruction must be authorised for disposal by the Head of school and/or Chief Financial Officer and where significant should be sold through competitive tender. The MAT must seek approval in writing from the DfE if it proposes to dispose of an asset for which a capital grant in excess of £20,000 was paid.

Disposal of equipment to staff is discouraged, as it is difficult to evidence the MAT obtained value for money. In addition, there are complications with the disposal of computer equipment, as the MAT would need to ensure licences for software programmes have been legally transferred to a new owner.

Loan of Assets

Items belonging to the MAT must not be removed from the Academies without authority from the Head of schools. A record of the loan must be kept.

Keys Inventory



The Key inventory is the responsibility of the nominated officer to maintain and will be kept up to date at all times. It is the responsibility of staff to report all lost and stolen keys to enable new security measures to be put in place and for the inventory to be updated.

Safes and similar storage facilities will be kept locked and keys removed to be held by the key holder who will be nominated by the Head of schools. Normally key holders will carry keys on their person and keys must not be left on the premises overnight except in another safe. A list of key holders will be maintained by the Academies and loss of any keys must be reported to the Head of schools.

EXTERNAL REPORTING FRAMEWORK

The Budget

The CFO is responsible to preparing and obtaining approval for the annual and 3-year budget. The budget must be reviewed in detail by the Finance, Audit and Risk Committee, and must then be approved by the Trust board.

The approved Trust budget must be submitted to the DfE by the due date each year and the Trust CFO is responsible for establishing a timetable which allows sufficient time for the approval process and ensures that the submission date is met.

The annual budget will reflect the best estimate of the resources available to each Trust academy for the forthcoming year and will detail how those resources are to be utilised to ensure improvement in standards. There should be a clear link between the academy annual improvement plan, objectives to improve standards overall 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 DfE grant receivable
- Review of other income sources available to the academy to assess likely level of receipts
- Review of past performance against budgets to promote an understanding of the academy cost base
- Identification of potential efficiency savings
- Review of the main expenditure headings in light of the academy annual action plan objectives to improve standards and the expected variations in cost e.g. pay increases, inflation and other anticipated changes.

- **Budget Monitoring**

The MAT will submit budget-monitoring returns to the DfE, as required.



- **Annual Accounts**

As a Charitable company, the MAT must comply with company law as set out in the Companies Act 1985 (and subsequent acts). This includes a requirement to prepare a Trustees' report and financial statements ('annual accounts') and to arrange for these to be independently audited by a registered auditor.

Financial Statements should be prepared to **31st August each year**. They should include:

- incoming resources from all sources receivable in the period
- resources expended on all activities within the period
- all assets and liabilities of the Academy at the balance sheet date
- all cash received and expended within the period
- notes to the accounts

The audited annual accounts must be submitted to the DfE by **31st December**. A copy of the audited final accounts must also be sent to Companies House, after this date and by **31st May**.

- Audit – see following section on internal scrutiny and submission of annual report to DfE

INSURANCE

The Trustees will ensure the MAT has adequate insurance cover to support its activities and to comply with statutory requirements.

SCRUTINY OF FINANCIAL MANAGEMENT AND GOVERNANCE, INCLUDING RISK MANAGEMENT

The Finance, Audit & Risk Committee will ensure that internal scrutiny is undertaken in order to provide the DfE with an annual assurance on the adequacy of the MAT's arrangements for financial management and governance. The internal scrutiny will also provide assurance to the MAT's Accounting Officer that conditions of funding are being met, and that appropriate systems of control are in place.

Riviera Education Trust approach to internal scrutiny and financial regularity is to engage auditors to provide the Internal Audit Function. The current Internal Auditors are Thompson Jenner



The Finance, Audit & Risk Committee will direct and agree a program of internal scrutiny to provide independent assurance to the board that its financial and others controls, and risk management procedures, are operating effectively.

Section 3.2 of the Academy Trust Handbook states :

Internal scrutiny must focus on:

- **evaluating** the suitability of, and level of compliance with, financial and other controls. This includes **assessing** whether procedures are designed effectively and efficiently, and checking transactions to confirm whether agreed procedures have been followed
- **offering advice and insight** to the board on how to address weaknesses in financial and other controls, **acting as a catalyst for improvement**, but without diluting management's responsibility for day to day running of the trust
- **ensuring all categories of risk** are being adequately identified, reported and managed.

The trust **must** identify on a risk-basis (with reference to its risk register) the areas it will review each year, modifying its checks accordingly. For example, this may involve greater scrutiny where procedures or systems have changed.

Trusts must now, in compliance with the Academy Trust Handbook,:

Ensure the production of a short annual summary report to the audit committee for each year ended 31 August outlining the areas reviewed, key findings, recommendations and conclusions, to help the committee consider actions and assess year on year progress, AND

must submit its annual summary report of the areas reviewed, key findings, recommendations and conclusions (as presented to the audit committee under section 3.15 by the person or organisation carrying out the programme of work) to DfE by 31 December each year when it submits its audited annual accounts. The trust **must** also provide DfE with any other internal scrutiny reports if requested.



Riviera Education Trust

Scheme of Delegation of financial powers

Authorisation levels for expenditure on a single order for goods and services.

Position	Name	Limit/Restriction
CEO		£50,000 after quotation and evaluation process and report to Trustees
Head of school		£10,000
Deputy Head of school		£10,000 (with HoS authority)
Assistant Head of school		£10,000 (with HoS authority)
Director of TTSA		£5,000
CFO		£10,000
Finance Officer		£1,000 (for renewals of contracts and subscriptions, with authority from CEO/CFO/HoS)
HR Lead		£1,000 (for employee and HR related contracts and costs)

Input of data onto school's computerised finance package, inclusive of journals

Position	Name	Limit/Restriction
CFO		N/A
Finance Team		N/A

Authorising Certificate of Travel / Subsistence Claims

Position	Name	Limit/Restriction
Head of School or delegated to CFO		£300 per calendar month
CEO		Over the above amount
Chair of Trustees		„

Authorisation to certify payroll input documents

Position	Name	Limit/Restriction
Chair of Trustees/CEO		N/A
CFO		N/A
HR Lead		N/A
Head of school		N/A

Deputy/Asst Head of school		In absence of Head of school
Designated Supervisor as authorised by Head of School		Wrap around care only

Authorisation to write-off bad debts

Position	Name	Limit/ Restriction
Head of school or delegated to CEO		£500
Finance Committee/Board		Over £500
Secretary of State		Detailed in funding letter

Authorisation to make virements between cost centres

Position	Name	Limit/ Restriction
Head of school (with agreement from CFO)		£10,000
CFO		£10,000
CEO		£30,000
Finance, Audit & Risk Committee		£50,000
Trustees		Over £50,000

Administration of Petty Cash

Position	Name	Limit/ Restriction
Finance Officer or delegated to CEO		£200

Authorisation of petty cash/expenses vouchers

Position	Name	Limit/ Restriction
Head of school/Deputy/Asst or delegated to CEO		£200
CFO		£200

Authorised signatory of contracts over £50,000

Position	Name	Limit/ Restriction
Chief Executive Officer/Chair of Trustees		Unlimited (subject to approval and delegation from Full Trustees)

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Disposals

Position	Name	Limit/Restriction
Head or delegated to CEO		Items under £20,000
DfE		Items over £20,000



DETAILS OF AMENDMENTS

September 2018

- Updated to include Shiphay Learning Academy

February 2020

- Policy reviewed overall and in particular updated to be compliant with ESFA requirements on Internal Scrutiny (section 3 ACADEMIES HANDBOOK).

May 2020

- Policy reviewed and updated to be compliant with ESFA requirements.

September 2020

- Policy reviewed to add in delegated authority for Director of TTSA and Operations manager to authorize requisitions, orders, non –order invoices up to £5,000.

September 2021

- Update Director of Finance with Chief Finance Officer
- Update to align with the Academies handbook, Chair to see Management accounts monthly and shared with Trustee six times per year.
- Clarify authorisation of journal transfer
- Use of MYVIEW payroll system
- Revision of delegation/authorization

September 2022

- Charge cards limits updated, and authority to amend limited updated to include CFO.
- Amended Responsible Officer section to Internal Audit in line with ATH requirements.
- Updated other staff section to reflect that some other members of staff may have financial responsibilities.
- Amended virement limits for CEO, Finance, Audit & Risk Committee and CFO.
- Amended authorized signatories of contracts over £50k to be in line with competitive tendering policy.

September 2023

- Updated 'Budget Management' section
- Amended the value of the virement limits for CEO, FAR Committee and Full Board.
- Updated wording in section 'Orders for Goods and Services'
- Updated budget section wording of 'External Reporting Framework' heading



July 2024

- Updated deadline for submission of budget to ESFA to August
- Updated budget management to include reference to the report required in monthly management accounts
- Purchase orders – exemptions added from the standard procedure for emergency circumstances (i.e. repairs, supply cover)
- Credit card section updated with additional wording

July 2025

- Updated throughout to reflect changes in responsibilities for processes and tasks upon change of roles, roles no longer existing etc.
- Updated references throughout to reflect changes to terminology.
- Updated petty cash process to reflect the removal of petty cash floats from each school
- Updated overtime authorisation to certify payroll input documents to include CFO and HR Lead.
- Updated for Finance Officers and HR Lead to authorise certain contracts and invoices up to £1,000 with delegated approval.
- Updated debt recovery section

July 2026

- Replaced reference to ESFA with DfE throughout document
- Included updated guidance on confirming changes to payment details for suppliers and employees
- Added sections on staff wellbeing expenditure and loyalty cards.

