

FINANCE POLICY

Version 2

Date approved by Trustees of Ventrus Multi Academy Trust	13th December 2023
Review Period	Annual

This statement sets out the Trustees and Local Governing Body policy on the management of finances within the schools in the Trust. It applies to all funds delegated or devolved within the provisions of the Schools Standards and Framework Act 1998 and The Trust's Funding Agreement.

The Trustees have overall responsibility for securing the efficient and effective administration of the schools and their resources. Accordingly, the Trustees regard proper control of the school finances as being of utmost importance. The Trustees endorse and have adopted the principles of good practice contained within

- Academy Trust Handbook
- Financial Regulations for Ventrus Ltd
- Academies Accounts Direction
- Charities Commission's Statement of Recommended Practice (SORP) – Accounting and Reporting by Charities

All staff involved in financial transactions are required to be fully aware of and to comply with these requirements.

There are two main strands to this:

- Operational control over spending and income collection
- Monitoring and control of the budget

The Accounting Officer/Chief Executive Officer (CEO) is accountable to the Trustees for the exercise of delegated authority and in turn staff are accountable through their line management to the Chief Executive Officer (CEO). Staff must not exceed their delegated authority, which must only be exercised within the above framework of overarching rules and school policies and will be held accountable for their decisions and actions. Any matter of financial consequence shall be drawn to the attention of the Board of Trustees in a timely manner.

All financial dealings are to be conducted

- in a framework of openness thereby allowing proper scrutiny and evaluation and
- with absolute integrity and regard for the good reputation of the school and Trust

Proposals for the deployment of financial resources shall be properly supported and each proposal shall demonstrate Value for Money (VFM) and its sustainability in the light of the resources likely to be available.

The regular comparison of spending against budget is intended to highlight those areas where the budget is under pressure to enable effective remedial management action and to identify those areas where resources may be released to further un-resourced elements within the school development plan. This process should take place at three levels

- Formal reporting to Trustees
- Report to Risk and Audit Committee
- Ongoing internal monitoring, such as termly review meetings

The Trustees regard the passage of timely and accurate information as being central to the success of their policy. The CEO is responsible for putting suitable arrangements in place to ensure the financial data within school are both up to date and accurate so that any member of staff responsible for control of a budget can have an accurate position statement upon request. Internal monitoring is to take place not less frequently than monthly. The Trustees should receive financial reports at least 6 times per year as per the ATH.

The staff identified as budget holders within this document are responsible for controlling those aspects of the budget and ensuring that the CEO is kept fully informed of spend against budget.

The CEO is responsible for ensuring regular monitoring of all budget lines and formal reporting to Trustees. Formal reports with explanatory commentaries including information about changes in non-financial data (e.g. pupil numbers) are required to be circulated no less than 7 days in advance of the relevant meeting. It is essential that the forecast year end position together with the implications for at least the next two years is kept under ongoing review.

Where routine budget monitoring reveals budgetary pressures requiring urgent attention, which cannot await the next programmed meeting the CEO shall notify the Chair of Trustees.

The Scheme of Delegation sets out the financial delegations to each level of governance within the Trust. Adherence to the Scheme forms part of the internal control system by which the Board gains assurance.

No changes to the Scheme can be made without approval of the Board. The Scheme of Delegation should be reviewed annually, and immediately when there has been a change in trust management or organisational structure.

The tables below set out the delegated authority and responsibilities of individuals together with the frequencies at which tasks and reports must be completed.

Appendix 1 – Table of Delegated Authority/Responsibility

Financial Management

Function	Chief Executive Officer	Chief Financial Officer	Director of School Improvement	Chair of Trustees	Head Teachers	Facilities & Estates Manager	Head of Financial Accounting	Head of Management Accounting	Finance Manager	School Based Administrators	Trust Governance Lead	Academy Trust Handbook
Comply with Financial Regulations	√	√	√	√	√	√	√	√	√	√	√	2.1-2.2
Ensure segregation of duties	O	√	A		A	A	√	√	C	√	A	2.7
Ensure internal controls operate correctly	√	√	A		√	A	√	√	C	√	A	2.6
Ensure Trustees' Policies are complied with	√	√	√	√	√	√	√	√	√	√	√	
Annual Budget Forecast												
Prepare	O	√	A		A	A	√	√	A	A		2.11
Approves	√	√		√								2.10
Monitors	S	√	A	O	A		√	√	A	A		2.18
Submits Budget Forecast to ESFA	S	√		O			√					2.15
Write offs and entering into guarantees, Letters of Comfort or indemnities												5.20
+1% of total annual income or £45,000 whichever is smaller per single transactions	Requires ESFA approval											
Cumulatively, 5% of total annual income in any one financial year per category of transaction	Requires ESFA approval											
Borrowing												
Enter into borrowing arrangements including finance leases and overdraft facilities from any source, which is repaid from grant monies or secured on assets	Requires ESFA approval											
Register of Interests	S	A		O	A		A				√	5.45-5.48
Register of Eligibility to Serve	O										√	1.4 / 1.5

Responsibility for Budget Monitoring

	Board of Trustees	Chair of Board	Risk & Audit Committee	Chief Executive Officer	Chief Financial Officer	Head of Financial Accounting	Directors of School Improvement	Budget Holders
	Frequency	Frequency	Frequency	Frequency	Frequency		Frequency	Frequency
Maintenance of records					Ongoing	Ongoing		Ongoing
Monitoring of budget lines/departments			Termly	Ongoing	Monthly	Ongoing	Termly	Ongoing
Maintain forecast of year-end position				Ongoing	Ongoing	Monthly		
Initiates management action				Ongoing	Ongoing		Ongoing	
Prepares Management Accounts						Monthly		
Receives Management Accounts	Half-termly	Monthly	Termly	Monthly	Ongoing			Ongoing
Bank Reconciliation						Monthly		

Appendix 2 Table of Responsibility for Policy Review

Function	Board of Trustees	Committees	CEO/DOSI	Chief Financial Officer	Head of Financial Accounting	Trust Governance Lead
Finance policy						
Initiate annual review						√
Prepare				√	√	
Approve	√	√				
Remission of Fees & Charging Policy						
Initiates Annual review						√
Recommendations				√		
Approve	√	√				
Lettings policy						
Initiates Annual review						√
Recommendations			√	√		
Approve	√	√				
Insurance review (extent not cost) policy						
Initiates Annual review				√	√	
Recommendations			√	√		
Approve	√	√				
Governor and Trustees expenses policy						
Initiates Annual review						√
Recommendations				√		
Approve	√	√				
Appointment of Auditors (Statutory and Internal) policy						
Initiates review				√		
Recommendations			√	√		
Approve	Members					
Staff expenses and travel policy						
Initiate annual review						√
Recommendations				√	√	
Approve	√	√				
Credit card/charge card policy						
Initiate annual review						√
Recommendations				√	√	
Approve	√	√				
LGPS discretions policy						
Initiate annual review						√
Recommendations				√	√	
Approve	√	√				

Appendix 3 Table of Delegated Authority

Financial Administration

Spending decisions	Board of Trustees	Chair of Trustees	Chair of Risk & Audit & Committee	Chief Executive Officer	Chief Financial Officer	Directors of School Improvement	Head of Financial Accounting	Head Teacher	Budget Holder (Secondary)	Head of Management Accounting	Finance Manager	School Based Administrators
Payroll												
Authorise appointment of staff/contracts						O	√	√				
Authorise appointment of CEO	√	√										
Authorise appointment of CFO	√			R								
Authorise payroll claims					√	√	√	√	√			
Authorise travel and expenses claims				√	√	√	√	√	√			
Authorise payroll forms for CEO		√										
Authorise changes to staff pay				√	√	√		√				
Approve National pay awards	Pay Committee											
Approve or amend Trust's pay policy	Pay Committee											
Accept quotes and tenders												
Accept quotes £0-£5,000				√	√	√	√	√	√			
Accept quotes between £5,001 and £30,000				√	√							
Accept Quotes between £30,000 and £75,000		√										
Accept tenders over £75,001		√										
Evaluate Tenders					√		A					
Authority to accept other than lowest quote												
Under £5,000				√	√			√				
Between £5,001 and £30,000				√	√							
Over £30,000		√										
Budget authority limits												
Receive goods				√	√		√	√	√		√	√
Verify invoices				√	√		√	√	√		√	√

Spending Decisions	Board of Trustees	Chair of Trustees	Chair of Risk & Audit Committee	Chief Executive Officer	Chief Financial Officer	Directors of School Improvement	Head of Financial Accounting	Head Teacher	Budget Holder	Head of Management Accounting	Finance Manager	School Based Administrators
Approve and authorise expenditure up to £5,000				√	√	√	√	√	√			
Approve and authorise expenditure between £5,001 and £30,000				√	√							
Approve and authorise expenditure over £30,001		√										
Banking and authorised signatories												
Cheques												
BACS												
ESFA grant claims and ESFA returns		√	√	√	√		√					
Petty Cash												
Approve use of cash					√							
Authorise Charge Card Payments up to £5,000				√	√	√	√	√	√			
Authorise Charge Card Payments £5,000+				√	√							
Income												
Cash receipting					√		√	0		√	√	√
Ensure invoices are raised accurately and promptly					√		√			√	√	√
Ensure debt collection arrangements are in place and followed through					√		√	√	√	√	√	√
Approve writes off – up to £100					√		√	√				√
Approve write off and credit notes £101 - £500							√					
Approve write off and credit notes > £500 (subject to ATH 5.65)				√								
Approve write off of +1% of total annual income or £45,000 whichever is smaller per single transaction (subject to a maximum of £250,000)												
Approve write off of cumulatively, 5% of total annual income in any one year per category of transaction (subject to a maximum of £250,000)												

Spending decision	Board of Trustees	Chair of Trustees	Chair of Risk & Audit Committee	Chief Executive Officer	Chief Financial Officer	Directors of School Improvement	Head of Financial Accounting	Head Teacher	Budget Holder	Head of Management Accounting	Finance Manager	School Based Administrators
Virement												
Authorise virement (between own cost centres)							√	√	√	√		
Authorise virement			√	√	√							
Value Added Tax												
Prepare VAT submittal report							0			√	√	
Submit VAT return to HMRC							√			√	√	
Special Payments												
Non-contractual special payments as defined in the Academies Financial Handbook – Up to £50,000				√	√							
Non-contractual special payments as defined in the Academies Financial Handbook – Over £50,000	Requires ESFA approval											
Ex gratia payments as defined by the Academies Financial Handbook (any amount)	Requires ESFA approval											

The Trustees require that all purchasing decisions are made after adequate market testing or research to ensure efficiency and value for money in the organisations activities, in accordance with the table below.

Threshold band	Procurement route	Value	Delegation route
£0-£5,000	One written quote or Framework	Low	Budget holder - Head Teacher
£5,000-£75,000	Invite 3 written quotes or Framework	Medium	Budget Holder - Head Teacher – CFO - CEO R&A / Board >£30k
£75,001 - £177,896	Ventrus Tender or Framework	High	Budget Holder - Head Teacher – CFO – CEO - Board
£177,897 excl. VAT + (£213,477 inc. VAT)	Public Contracts Regulations (PCR) compliant buying process or Framework	High	Budget Holder - Head Teacher - CFO - CEO - Board

Asset protection	Board of Trustees	Chief Executive Officer	Director of School Improvement	Chief Financial Officer	Head Teacher	Head of IT	Administrators	Caretaker	Trust Governance Lead
Security of buildings, furniture, equipment, stocks and stores		O	S	S	√		A	A	
Security of Cash					√S		√		
Data protection registration	O	√							√
Compliance with data protection rules	S	√	A	A	√	√	A		
Maintain back-up of data		O			A	√			
Maintain security of data		O				√	√		
Maintenance of Inventories of all moveable and valuable items of equipment		O			O		√		
Checking and certification		√	S		√			A	
Maintain a record of all property borrowed by staff or students					S		√		
Maintain Fixed Asset Register		√			A		A		
Ensure that adequate insurance cover is in place to cover the value of assets held				√					
Approve the disposal of unusable or obsolete equipment		√		√					
Disposal of any assets which received capital grant of over £20,000	Requires ESFA approval								
Disposal of freehold on land or buildings and disposal of heritage assets	Requires ESFA approval								

Key to all tables

Frequency	Functions	Notes
O =Ongoing	O = Oversee	# Substitute name of fund or budget holders
W = Weekly	S = Supervises	£ Insert individual limits.
M = Monthly	R = Reports	* Acts within delegated powers and if required
H = each half term	C= Co-ordinates	
T = Termly	√ = does	
Y = as soon as possible after Year-end	A =Assists as required	

Appendix 4 – Policy History

Version	Summary of Change	Review Date	Lead Author
V.02	Changes to authorisation made at F&A Committee 13.11.19	13.11.19	CT/KB
V02	Amend references to Academies Financial Handbook/AFH 2019 to be Academy Trust Handbook/ATB 2021	15.09.21	JM
V02	Amend reference to latest finance regulations to be September 2021	15.09.21	JM
V02	Following update to ATB 2021:- SoD to be reviewed annually, and immediately when there has been a change in trust management or organisational structure.	15.09.21	JM
V02	Change job titles for Premises Manager and Management Accounting to be Facilities and Estates Manager and Head of Management Accounting respectively.	15.09.21	JM
V02	Reference of 5.44-5.47 under Register of interests updated to 5.44-5.48 in line with ATH 2021	15.09.21	JM
V02	EU procurement thresholds updated on page 10	15.09.21	JM
V02	State that the Head of Financial Accounting Role will be vacant from 01/10/21	15.09.21	JM
V02/Sept 22	Change job titles for Director of Finance & Commerce to Chief Financial Officer and Trustees of School Improvement t Directors of School Improvement	20.09.22	KB
V02/Sept 22	Amend ATH 2021 to ATH 2022	20.09.22	KB
V02/Sept 22	Amend Finance & Audit Committee to Risk & Audit Committee	20.09.22	KB
V02/Dec 2023	Review undertaken	13.12.23	BA