



Last updated: 8 March 2022

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Statement of intent

It is important for Waingels to demonstrate that we use public money appropriately. To ensure that the financial standing of the trust cannot be brought into disrepute, this policy will be implemented, guaranteeing consistency in financial procedures across the trust as it expands.

This policy applies to all employees in the trust, trustees and members, as well as services and goods sourced from external agencies.

The trust takes its responsibility for handling public funds with the utmost importance and strives to continuously provide a high-quality education and safe learning environment, whilst having a strong financial standing.

1. Legal framework

This policy has due regard to all relevant legislation and statutory guidance including, but not limited to, the following:

- Employment Relations Act 1999
- Companies Act 2006
- Equality Act 2010
- The Education (School Teachers' Appraisal) (England) Regulations 2012 (as amended)
- ESFA (2021) 'Academy trust handbook 2021'
- ESFA (2022) 'Declare or seek approval for related party transactions: summary guidance'
- Data Protection Act 2018
- UK General Data Protection Regulation (UK GDPR)

This policy operates in conjunction with the following school policies:

- Teachers' Pay Policy
- Charging and Remissions Policy
- Gifts, Hospitality Policy
- Data Protection Policy
- Anti-fraud Policy
- Whistleblowing Policy
- Data and Cyber-security Management Plan
- Articles of Association

2. Roles and responsibilities

Responsibilities for different groups and individuals within the trust are set out in full throughout this policy. This section highlights key responsibilities.

The members are responsible for:

- Appointing, by special resolution, new members or removing existing members
- Appointing trustees in line with the trust's Articles of Association.
- Where necessary, by special resolution, issuing direction to the trustees to take a specific action.
- 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.

Members will not be employees of the trust or occupy staff establishment roles on an unpaid voluntary basis.

The trust will ensure that members are not currently subject to a section 128 direction, and will not appoint anyone as a member if they are currently subject to a section 128 direction.

The Board of Trustees is responsible for:

- Applying the highest standards of conduct and governance and taking full ownership of their duties.
- Ensuring the board meets at least three times a year, and conducts business only when quorate.
- Approving a written scheme of delegation of financial powers.

- Managing conflicts of interests and related party transactions.
- Approving a balanced budget for the financial year and minuting the approval.
- Ensuring decisions about executive pay follow a robust evidence-based process reflecting the individual's role and responsibilities, and that the approach to pay is transparent, proportionate and justifiable.
- Appointing a finance/resources & audit committee to advise on the adequacy of the trust's controls and risks. (Combined finance/resources and audit committee)
- Submitting audited accounts to the ESFA by 31 December.
- Ensuring an appropriate, reasonable and timely response is given to findings by auditors.

Any newly appointed senior executive leader can only be a trustee if the members decide to appoint them as such, the senior executive leader agrees, and the Articles of Association permit it.

The Board of Trustees will appoint a senior executive leader who may be appointed as a trustee – this will be the Executive Principal. The board will also appoint a named individual as the trust's accounting officer – this will be the Executive Principal. The roles of senior executive leader and accounting officer will not rotate.

When the senior executive leader is planning to leave the trust, the Board of Trustees will approach the trust's Regional Schools Commissioner (RSC) in advance to discuss the trust's structure and options, including plans for recruitment.

The accounting officer is responsible for:

- The trust's financial affairs.
- Sharing the ESFA's ['Letter to academy trust accounting officers'](#) letter with the members, trustees, the SBM and other relevant stakeholders, arranging for it to be discussed by the Board of Trustees and taking action, where appropriate, to strengthen the trust's financial systems and controls.
- Achieving value for money and the best possible educational outcomes through the economic, efficient and effective use of resources.
- Ensuring regularity when dealing with items of income and expenditure in accordance with legislation, the terms of the trust's funding agreement and the 'Academy trust handbook' (ATH), and with the trust's internal procedures.
- Ensuring propriety with regards to expenditure and receipts, including standards of conduct, behaviour and corporate governance.
- Completing and signing a statement of regularity, propriety and compliance each year and submitting this to the ESFA with the audited accounts.
- Keeping full and accurate financial records.
- The management of opportunities and risks.
- Assuring the Board of Trustees that the trust is compliant with the ATH and the funding agreement.
- Informing the Board of Trustees, in writing, of any action or policy under consideration that is incompatible with the terms of the Articles of Association, funding agreement or the ATH.
- Informing the ESFA, in writing, where they have advised the Board of Trustees that they are in breach of the Articles of Association, funding agreement or ATH but the board has continued with their actions.

The SBM is responsible for:

- Acting as the principal finance officer for the trust.
- Ensuring that the trust's financial position is managed at a strategic level within the framework for financial control determined by the Board of Trustees.
- Ensuring that all financial matters focus on the wider needs of the trust
- Working with the finance manager and internal auditors to provide assurance to the finance/resources & audit committee and Board of Trustees.

- Ensuring the annual accounts are properly presented and adequately supported by the underlying records of the trust.
- Challenging staff to ensure that value for money is routinely obtained.
- Ensuring effective financial policies are in place across the trust.
- Maintaining CPD and undertaking relevant ongoing training.

The trust's Finance/Resources and Audit committee is responsible for:

- Ensuring the trust's programme of internal scrutiny is carried out and reporting to the board on the adequacy of the trust's financial controls and management of risks.
- Ensuring that risks are being addressed appropriately through internal scrutiny.
- Reviewing the external auditor's plan each year.
- Reviewing the annual report and accounts.
- Reviewing the external auditor's findings and actions taken by the trust's managers in response to those findings.
- Assessing the effectiveness and resources of the external auditor to provide a basis for decisions by the trust's members about the auditor's reappointment or dismissal or retendering.
- Producing an annual report of the committee's conclusions to advise the Board of Trustees and members, including recommendations on the reappointment, dismissal or retendering of the external auditor, and their remuneration.

The governing board is responsible for:

- Reviewing the budget for the academy and making recommendations for approval to the Board of Trustees.
- Ensuring that any grants are used for the purposes intended.
- Reviewing the actual income and expenditure against the approved budget for the academy and making recommendations to the Board of Trustees.
- Making recommendations to the Board of Trustees in relation to the appointment, pay and contractual terms of members of the SLT in the academy.
- Approving recommendations from the academy's headteacher in relation to the appointment, pay and contractual terms of members of staff other than members of the SLT.

The Board of Trustees will appoint a governance professional to support the Board of Trustees who is someone other than a trustee, headteacher or executive principal. The governance professional is responsible for:

Ensuring the efficient functioning of the Board of Trustees by providing:

- Administrative and organisational support.
- Guidance to ensure the board works in compliance with the appropriate legal and regulatory framework, and understands the potential consequences of non-compliance.
- Independent advice on procedural matters relating to the operation of the board.
- Administrative and organisational support.

The ESFA will be informed within 14 calendar days if the trust appoints or terminates the contract of:

- An accounting officer or SBM, including their contact information.
- A chair of trustees, including their contact information.
- A member, trustee or governor, including their contact information.
- A headteacher, including their contact information.
- The chair of the governing board, including their contact information.
- A governor.

3. Financial oversight

The trust takes full responsibility for its financial affairs, stewardship of assets and use of resources to maximise pupils' outcomes.

The finance/resources & audit committee meets at least three times a year. The governing board meets six times a year,

The Board of Trustees does not delegate overall responsibility for the trust's funds. The Board of Trustees approves a written scheme of delegation of financial powers that maintains robust internal controls. This scheme of delegation is reviewed annually, and immediately when there has been a change in the trust's management or organisational structure.

The Board of Trustees delegates financial scrutiny and oversight to the finance/resources and audit committee, which can support the board in maintaining the trust as a going concern.

4. Budget setting

The budget is a working document which may need revising throughout the year as circumstances change. Any significant revisions will be reported to the finance/resources & audit committee and the local governing board, as well as the Board of Trustees.

The budget planning process follows an annual planning cycle and consists of the following four phases:

- Planning
- Budget setting
- Monitoring
- Review

The budget process takes the following elements into account:

- Forecasts of likely pupil numbers to estimate the amount of DfE grant available
- Review of other income sources
- Review of past performance against budgets
- Identification of potential efficiency and budget containment actions
- An annual review of expenditure headings to reflect known changes and expected variations in costs, such as pay increases, inflation or other anticipated changes

When reviewing and approving budgets for the trust, the Board of Trustees ensures the following:

- That budget forecasts, for the current year and beyond, are compiled accurately, based on realistic assumptions and are reflective of lessons learned from previous years.
- That pupil number estimates are challenged and that these underpin revenue projections, and review these on a termly basis. (at each finance/resources and audit committee meeting)
- An integrated approach to curriculum and financial planning is taken.

A balanced budget for the forthcoming financial year will be approved by the board of governors, and this approval will be mounted. The annual budget will reflect the best estimate of the resources available to the trust for the forthcoming year and will detail how those resources will be utilised, establishing clear links to support the objectives identified in school development plans.

Both medium-term and short-term financial plans are prepared for the trust and each of the academies in the trust. The medium-term plan indicates how the educational aims and other objectives of the trust and each academy are going to be achieved within the expected level of resources over the next three years.

The development plan provides the framework for the annual budget.

Draft budgets will be presented to the governing board via the finance/resources & audit committee, as well as to the Board of Trustees, together with a supporting report for approval of the Board of Trustees. Once the budget is agreed, this will be communicated to all responsible budget holders to ensure they are aware of the overall budgetary constraints.

5. Budget management and monitoring

To implement a smooth-running planning process, the SBM will create a budget timetable which outlines important dates, such as when information will be collected, including salary information and estimated budget allocation.

A continuous review of the aims and priorities of the strategy will be undertaken based on the monitoring and analysis of performance.

The SBMs is responsible for monitoring income and expenditure in the academy throughout the year.

A three-year budget forecast will be prepared when the budget for the current financial year is being set.

The Finance manager will prepare monthly management accounts, setting out the trust's financial performance and position and including an income and expenditure account, variation to budget report, cash flow information and balance sheet. The accounts will be shared with the chair of trustees and the finance/resources committee every month. (all trustees are members of the finance/resources and audit committee)

The board of governors will consider the management accounts when it meets and will ensure appropriate action is being taken to maintain financial viability. The board of governors will select key financial performance indicators and measure its budgetary performance against these regularly.

Any potential overspend against the budget will be discussed with the SBM.

The monitoring process will be effective and timely in highlighting variances in the budget so that differences can be investigated, and action taken where appropriate. The finance/resources & audit committee will continually monitor the quality of the financial information presented to them to ensure that what is provided remains appropriate, particularly in terms of its timing, level of detail and narrative.

There will now only be a single budget forecast return (BFR). The trust's budget forecast return outturn information will be included in the budget forecast return, which covers:

- September 21 to March 22 and April 22 to August 22
- September 22 to March 23 and April 23 to August 23
- Summary forecasts for September 23 to August 24
- Summary forecasts for September 24 to August 25

The returns will be approved by the Board of Trustees before submission to the ESFA.

Where the Board of Trustees has concerns about the trust's financial performance, it will act quickly to ensure the trust has adequate financial skills in place and consider whether additional financial reporting is required.

6. Cash management

The trust has robust procedures in place to manage its cash position and will avoid becoming overdrawn on any of its bank accounts so that it does not breach restrictions on borrowing.

The finance manager of the academy if necessary will prepare cash flow forecasts to ensure that the trust has sufficient funds available to cover day-to-day operations. The finance manager will record all transactions

regarding cash flow for the academy. When producing cash flow forecasts, if significant balances can be foreseen, steps will be taken to invest the surplus funds.

All cheques and other instruments authorising withdrawal from any of the trust's bank accounts will bear authorising signatures or electronic signatures in line with the scheme of delegation.

Credit cards are issued to personnel under the scheme of delegation to pay for goods and services when the normal ordering processes are not possible. The procurement of goods and services using credit cards will be monitored by the trust's SBM.

A petty cash tin is kept which is the responsibility of the SBM, The SBM is responsible for the management of petty cash and will:

- Ensure petty cash is held securely.
- Reconcile petty cash termly
- Make the petty cash available for checking at any time.
- Record all petty cash transactions.

7. Purchasing, procurement and returns

The trust will ensure:

- Spending has been for the purpose intended and there is probity in the use of public funds.
- Spending decisions represent value for money.
- Internal delegation levels exist and are applied.
- Professional advice is obtained where appropriate.

The academy within the trust will act in accordance with the trust's scheme of delegation and comply with the procurement rules and thresholds in The Public Contracts Regulations 2015 and [Find a Tender](#) service.

The trust will seek costs from the DfE's deals for schools service where possible.

Purchasing and Payment Procedures

Raising Orders

- Budget holders or staff directed by them will be responsible for making the first request for the purchase of items or services from their own budgets. This will be done either by means of an Internal Request Form and sent to the Finance Office or by email to the finance assistant.
- Budget holders or staff directed by them can also raise their own PO's, print them out, sign and send to finance for authorisation. On receipt of the Internal Order Form or PO, the Finance Assistant will check that the appropriate budget has sufficient funds to meet the order and raise an official order on FMS for sending to the supplier or approve the PO. Internal Order Forms will be attached to the official order forms raised on FMS.
- Orders are to be authorised by the Budget holder or Finance Manager/SBM. Paper copies of official orders will be kept in numerical order in an outstanding order file in the Finance Office. Where appropriate, a copy of the official order will be sent to the budget holder.
- All credit card purchases requests are to emailed to the Finance department. Before ordering the Finance assistant will check for sufficient funds to meet the order. The SBM will then authorise via CC spreadsheet log. The column for authorisation is locked and can only be accessed by the SBM or FM in his/her absence.
- The SBM is able to authorise expenditure/POs for day-to-day items and services up to £10,000 on any one item. The Principal can authorise up to £20,000. A sequence of orders all within the limit to cover a larger order or orders is not permitted. (see authorisation limits)

- In instances of proposed orders/purchases being in excess of £3,000 ex VAT the budget holder will first seek three quotations together with details on how and why the successful quotation was chosen if not the most competitive.

Checking Orders

- On delivery, all orders are distributed and checked by the appropriate budget holder or budget holders' representative against both the delivery note and original order. After any discrepancies, and actions taken have been noted on the copy PO, this will be signed and dated by the budget holder or budget holders' representative.

Payment of Invoices

- The Finance Assistant will process invoices on a regular basis, where possible within 30 days of the date of the invoice (unless a query has been raised).
- On receipt of an invoice: (1) If the invoice matches the P.O (Goods ordered, quantity, price) and a signed delivery note/copy PO has been received, the invoice can be processed for payment. If there is a minor discrepancy the invoice can be still processed for payment, by entering on FMS and including the payment in a BACS run. Alternatively, (2)
- (2) the Finance Assistant will forward a copy to the budget holder for authorisation. Once authorised, the finance assistant will also check the invoices against the original order, before entering them on FMS and including the payment in a BACS run.
- A finance assistant will not raise an order and pay an invoice for the same purchase unless the order or invoice has been authorised by another delegated authority.
- Cheques will be stored in a secure place.
- The college has authorised signatories for cheques/BACS of which any two are required.
- Copies of college paid invoices attached to copy orders and cheque remittance slips should be kept in alphabetical order by supplier.
- Copies of orders which have been partly invoiced but on which there are outstanding items not yet delivered or charged should be kept in the order file in the Finance Office.
- Paper copies of cancelled orders (marked accordingly) should be kept in the cancelled orders file.
- Cancelled cheques should be marked as such, attached to the front cover of the relevant cheque book or in the case of pre-printed cheques be kept in the safe along with the cheque books.
- Payments for Direct Debits shown on the bank account will be reconciled using the direct payment facility on FMS. Direct debits are signed only by the Finance Manager or the SBM.

School Credit Card Procedures

- Payment is made by Direct Debit from the bank account.
- A spreadsheet log of all payments made by credit card is maintained and reconciled to the CC statement when received, along with each receipt/invoice. Payments are recorded in FMS via the credit card charge account – each transaction is recorded as an invoice and marked as paid. The charge account is then reconciled and the balance journaled to the main school bank account.
- There are three cards, two main school cards, limit £12,000 each and one other, Science Technician. limit £1000
- Authorisation is via the budget holder or Finance Manager/SBM as per spending limits. (Budget check for sufficient funds)

Petty Cash

- The purchase of goods by staff, direct with a supplier is not encouraged, however, occasions do arise in cases of small purchases by staff. Claims for reimbursement must be accompanied by a valid receipt. The invoice/receipt must be signed for by the budget holder or a line manager
- Payments will be made for purchases by Bacs transfer.
- Paid claim forms must be filed for record purposes.
- Any Petty cash must be controlled by the Finance Office and stored in the safe.

- At month end claims are input into FMS against the respective budget code. After input the balance shown on the system should agree with that in the petty cash record for the month and cash held.

8. Income and expenditure

When allocating funding, the FRA committee will consider the funding needs and allocations.

The finance manager monitors the receipt of grants, ensuring that all grants due to the academies within the trust are appropriately collected.

The trust collects income from parents via a number of methods including, but not limited to, the following:

- School meals
- Trips and residential visits

Income Procedure

- All income paid into the Finance Office must be accompanied by a paying-in slip completed by the finance office on behalf of the budget holder.
- All income is stored in the college safe and banked on a termly basis, reconciling the banking to the total of paying-in slips. Cash handling is minimal – almost all transactions are electronic via Parent Pay.
- Any banking is collected by a cash collection company.

There are two main areas of expenditure:

- **Salaries** – this forms the largest element of expenditure. Salaries of all staff members will be reviewed on an annual basis by the Principal, with effect from 1 September and no later than 31 October. Pay review recommendations are then given to the pay committee for discussion and authorisation. The finance/resources & audit committee confirms pay awards, incremental progression and performance-led pay increases, all of which the SBM will cost, using known figures and estimates, when preparing the draft budget.
- **Premises maintenance** – a combination of maintenance surveys and historical costs will form the basis for planned maintenance. The SBM will incorporate an allowance for unexpected contingencies, as well as for any small new works which may be proposed in-year.

The SBM in conjunction with the finance manager will keep an up-to-date record of the income and expenditure for the academy.

The trust's funds will not be used to purchase alcohol.

9. Investments

Where the Board of Trustees wishes to make investments to further the trust's charitable aims, it will ensure that investment risks are properly managed. When considering an investment, the board will:

- Act within its powers to invest as set out in the Articles of Association
- Act in line with the trust's Reserves and Investment Policy and review this policy on a regular basis.
- Ensure value for money.
- Take advice from professional advisers where appropriate.
- Ensure that exposure to investment products is tightly controlled so that security of funds takes precedence over revenue maximisation.
- Ensure investment decisions are in the best interests of the trust.

Prior approval will be sought from the ESFA before all investment transactions that are novel, contentious and/or repercussive, regardless of value.

10. Borrowing and debt

Prior approval will be obtained from the ESFA before borrowing from any source, where such borrowing will be repaid from grant monies or secured on assets funded by grant monies.

Credit cards will only be used for business expenditure. Credit card balances will be cleared before any interest accrues.

The trust will prepare and monitor financial plans to ensure ongoing financial health.

The trust will disclose aggregate figures for transactions of any amount and separate disclosure for individual transactions above £5,000 in its audited accounts for writing off debts and losses.

The SBM will contact individuals of any outstanding debts owed after 30 days of the notification of payment, e.g. an invoice being sent. The SBM will issue payment reminders to any non-payments.

If, after the final reminder is sent, payment is not received in full, the SBM will send a letter informing the individuals that if the trust does not receive payment within 14 days, they will refer the matter to a small claims court.

Debts will not be written off without the express approval from the Board of Trustees. The trust will also obtain prior approval from the ESFA where it wishes to write off debts and losses and/or enter into guarantees, letters of comfort or indemnities, where the following delegated limits apply:

- 1 percent of total annual income or £45,000 (whichever is smaller) per single transaction

The finance manager/SBM will keep accurate records of the debt process, including:

- Logging invoices and receipts on the trust's accounting system.
- Keeping any emails pertaining to debt collection for three months after the payment has been made.
- Keeping emails of payment notifications, ensuring each email clearly states the number of the reminder and the date it was sent.

11. Fixed assets

The trust will obtain prior approval from the ESFA for the following transactions:

- Acquiring a freehold of land or buildings
- Disposing of a freehold of land or buildings
- Disposing of heritage assets, as defined in financial reporting standards, beyond any limits in the trust's funding agreement for the disposal of assets generally

Other than the transactions outlined above, the trust does not need the ESFA's approval to dispose of any other fixed assets.

Any disposal will maintain the principles of value for money, regularity and propriety.

The Board of Trustees will refer to the DfE's ['Good estate management for schools'](#) guidance to help them to manage capital assets and budgets.

12. Leasing

For the purpose of this policy, there are two types of lease:

- Finance lease – a form of borrowing
- Operating leases – not a form of borrowing

The trust will obtain prior approval from the ESFA for the following lease transactions:

- Taking up a finance lease on any class of asset for any duration from another party, which are subject to borrowing restrictions
- Taking up a leasehold or tenancy agreement on land or buildings from another party for a term of seven or more years
- Granting a leasehold interest, including a tenancy agreement, of any duration, on land and buildings to another party

Any lease will maintain the principles of value for money, regularity and propriety.

13. Gifts

The value of any gifts will be reasonable and within the limits set out in the Gifts and Hospitality Policy.

The decision to make gifts will be documented and have regard to propriety and regularity.

The Gifts and Hospitality Policy sets out the trust's procedures relating to the acceptance of gifts, hospitality, awards, prizes and any other benefit that might be seen to compromise the judgement or integrity of the trust.

14. Related party transactions

The trust does not enter into any related party transactions whatsoever. A register of interests is kept and Declaration of Business interests is an agenda item at the beginning of every meeting. There are no payments made to trustees, members or governors, unless it's a staff governor or the Principal for carrying out their contractual staff duties, or in association with their work duties.

15. Payroll

All payroll transactions relating to trust staff, permanent or casual, will be processed through the payroll system. Payments for employment will not be made through any other mechanism.

The academy within the trust will act in accordance with the Teachers' Pay Policy and Support Staff Pay Policy.

The main elements of the payroll system include staff appointments, payroll administration and payments. Payroll is notified of any staff absence using the absence recording system.

The headteacher and SBM are responsible for ensuring that:

- Payments are made only to bona fide employees.
- Payments are in accordance with individuals' conditions of employment.
- Deductions, including income tax, national insurance and pensions, are properly administered.
- Payments are made only in respect of services provided to the academy.
- Amendments to the payroll are properly processed.

The SBM, in collaboration with the admin officer, is responsible for keeping the staff personnel database up-to-date via the designated recording system. This will include the following information about staff members:

- Salary
- Bank account details
- Taxation status
- Personal details
- Any deductions or allowances payable

During the Spring term each year, the SLT and SBM will review staffing requirements for the following academic year and propose any changes. These proposals will be reviewed and approved by the finance/resources & audit committee.

The finance/resources & audit committee/pay committee is responsible for authorising the following salary changes:

- Pay awards for support staff
- Staffing structure changes
- Performance-related pay progression

The SBM will randomly select one employee each month and check the calculation of gross to net pay, to ensure that the payroll system is operating correctly.

Payroll is continuously monitored and reviewed by the SBM to ensure any changes have been implemented correctly and the information is up-to-date.

Payslips will be produced on a monthly basis and administered to employees via an online portal on the last working day of each month.

Payroll Procedure

- Waingels has an in-house Payroll function.
- At month end all authorised timesheets to be entered onto the Payroll System and any amendments to staff details/contracts added. This must then be authorised by the SBM/Principal. The Principal checks and authorises all monthly amendments
- Payroll assistant generate Bacs file from Sage payroll
- Payroll assistant uploads Bacs file to bank – this is checked and signed by the Principal
- Business manager checks Bacs file against payroll reports
- SBM logs onto online banking, downloads Bacs file, it is verified again by checking against bacs file from sage and processed for payment.
- The payroll is then posted onto FMS.
- This information must be put on FMS before the month is closed.

Executive pay

The Board of Trustees will ensure that executive pay (including salary and any other benefits), follow a robust evidence-based process and are a reasonable and defensible reflection of the individual's role and responsibilities. No individual will be involved in deciding their salary.

The Board of Trustees will discharge its responsibilities effectively, ensuring its approach to pay and benefits is transparent, proportionate and justifiable, including:

- **Process** – that the procedure for determining executive pay and benefits is agreed by the board in advance and documented. The board ensures that both pay and benefits are kept proportionate.
- **Independence** – decisions about executive pay and benefits reflect independent and objective scrutiny by the board and conflicts of interest are avoided.

- **Robust decision-making** – factors in determining pay and benefits are clear, including whether educational and financial performance considerations, and the degree of challenge in the role, have been considered.
- **Proportionality** – pay and benefits represent good value for money and are defensible relative to the public-sector market.
- **Commercial interests** – the board is sighted on broader business interests held by senior executives, and is satisfied that any payments made by the trust to executives in relation to such interests do not undermine the transparency requirements for disclosing pay in accordance with the Academies Accounts Direction.
- **Documentation** – the rationale behind the decision-making process, including whether the level of pay and benefits reflects value for money, is recorded and retained.
- A basic presumption that executive pay and benefits should not increase at a faster rate than that of teachers, in individual years and over the longer term.
- Understanding that inappropriate pay and benefits can be challenged by the ESFA, particularly in any instance of poor financial management of the trust.

The trust publishes on its website, the number of employees whose benefits exceeded £100,000, in £10,000 bandings for the previous year ended 31 August. Benefits for this purpose include salary, the trust's pension contributions, other taxable benefits and termination payments., but not the trust's own pension costs.

Where the trust has entered into an off-payroll arrangement with someone who is not an employee, the amount paid by the trust for that person's work will also be included in the website disclosure where payment exceeds £100,000, as if they were an employee.

16. Charging and remissions

The local governing board is responsible for creating a Charging and Remissions Policy.

Charging is permitted for education provided out of school hours, unless it is within the requirements of the national curriculum or to fulfil statutory duties relating to RE.

The local governing board, in conjunction with the finance/resources & audit committee, can choose to remit charges wholly or in part.

The trust may charge parents for the cost to replace items broken, damaged or lost if it is due to pupil behaviour. Payments for activities will be processed and recorded by the finance manager/SBM. The SBM is responsible for ensuring that the correct invoices are sent to parents, and that payment is received.

The finance/resources & audit committee will review the Charging and Remissions Policy annually, seeking advice from the SBM where necessary.

17. VAT procedures

The academy is not registered for VAT but is entitled to reclaim VAT on qualifying purposes through a VAT 126 scheme return.

Under legislation, VAT claims can be made on expenditure which supports the trust's core purposes.

A report is run to provide the data necessary for the completion of the VAT reclaim form. VAT is reclaimed regularly.

The trust is eligible to reclaim most of the VAT it pays on invoices from HMRC. Any invoices for which VAT cannot be reclaimed, as the purchases were for business activity, are identified and removed.

Where invoices relate partly to business activity and partly to non-business activity, only the proportion of the VAT relating to the non-business activity will be reclaimed.

On receipt of the reclaimed VAT from HMRC, the finance manager/SBM will review the remittance, and confirm whether this equals the claim made.

18. Risk management

The trust will maintain a risk register and manage risks to ensure its effective operation, including contingency and business continuity planning.

The Board of Trustees will take overall responsibility for risk management, including ultimate oversight of the risk register, while drawing on advice provided to it by the finance/resources & audit committee. The Board of Trustees will review the risk register at least annually.

Risk management covers the full operations and activities of the trust, not only financial risks.

The trust will have adequate insurance cover in compliance with its legal obligations. It is a member of the academies risk protection arrangement.

If the academy lets out any or part of its premises to external hirers it must ensure that the hirer has Public Liability insurance.

The trust will cooperate with risk management auditors and risk managers and will implement any reasonable recommendations made to them.

19. Special payments

For the purpose of this policy, special payments include:

- Staff severance payments.
- Compensation payments.
- Ex gratia payments.

Where the trust considers making a staff severance payment above statutory or contractual entitlements, the following factors will be considered prior to making the commitment:

- The proposed payment is in the interest of the trust
- The payment is justified, based on legal assessment of the chances the trust will successfully defend the case at employment tribunal
- The level of settlement is less than the legal assessment of what the relevant body will award

Under no circumstances will the trust make severance payments where the money could be interpreted as a reward for insubordination or failure.

Where the trust is considering a severance payment equal to or greater than £50,000, the trust will seek prior approval from the ESFA. The ESFA will refer the transaction to HM Treasury so the trust will allow sufficient time for this to be considered. Value for money will be shown for all severance payments.

The trust will also obtain prior approval from the ESFA before making a staff severance payment where:

- An exit package which includes a special severance payment is at, or above, £100,000.
- The employee earns over £150,000.

Compensation payments will take account of the facts of the matter ensuring value for money is achieved. For compensation equal to or greater than £50,000, prior approval from the ESFA will be sought.

The trust will consider whether cases reveal concerns pertaining to the effectiveness of internal control.

Ex gratia payments will always be referred to the ESFA for approval.

20. Annual accounts

The trust will maintain accounting records and prepare an annual report and audited accounts in line with the Charity Commission's [Statement of Recommended Practice](#) and the ESFA's '[Academies Accounts Direction](#)'.

The audited accounts will be:

- Submitted to the ESFA by 31 December each year.
- Published on the trust's website by 31 January.
- Filed with Companies House in accordance with company law requirements, usually by 31 May.
- Provided to every member (under the Companies Act).
- Provided to anyone who requests a copy.

All copies of the accounting audit will be stored and filed securely, in line with the trust's Data Protection Policy.

21. Auditing

The trust will follow a tiered approach to internal control, risk management and assurance processes comprising:

- Clearly communicated procedures, structures and training of staff.
- Appropriate day-to-day supervision and checks by management.
- Internal scrutiny overseen by a finance/resources & audit committee.
- External audit and assurance.

Internal scrutiny

The finance/resources & audit committee will ensure it takes place, alongside the work of an external auditor, to provide independent assurance to the board that its financial and other controls, and risk management procedures, are operating effectively.

Internal scrutiny will focus on:

- Evaluating the suitability of, and level of compliance with, financial and non-financial controls, including 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 non-financial controls.
- Ensuring all categories of risk are being adequately identified, reported and managed.

The programme of internal scrutiny will be carried out by an external audit firm (not the trust's external auditor partners) and covered by a scheme of work. The programme of work will take place annually.

With reference to its risk register, the trust will identify on a risk basis the areas it will review each year and modify its checks accordingly.

Internal scrutiny will be kept under review and if any changes in size, complexity or risk profile become apparent, the trust will consider whether its approach remains suitable.

The trust will confirm, in its governance statement, the method(s) it uses for internal scrutiny and why these are used.

The trust may also use other individuals or organisations where specialist non-financial knowledge is required. Where this is done, the trust will reflect the individual's or organisation's findings, recommendations and conclusions as part of the summary document submitted to the ESFA.

Findings arising from internal scrutiny will be used to inform the accounting officer's statement of regularity in the annual accounts.

The trust will submit its annual summary report of the areas reviewed, key findings, recommendations and conclusions to the ESFA by 31 December each year when it submits its audited annual accounts. If requested, the trust will also provide any other internal scrutiny reports.

External auditing

The trust will appoint an external auditor to give an opinion on whether its annual accounts present a true and fair view of the trust's financial performance and position.

The contract with the external auditor will be in writing and be accompanied by a letter of engagement that only covers the details of the external audit including the requirements of the DfE. The letter of engagement will also include details of the removal of external auditors, before the expiry of the term of office, in exceptional circumstances. There will be a separate letter of engagement for additional services beyond the prescribed audit.

The trust will retender its external audit every five years.

The Board of Trustees will notify the ESFA immediately of the removal or resignation of the auditors.

The accounting officer will produce a statement on regularity, propriety and compliance and this will be included in the trust's annual accounts. The statement on regularity, propriety and compliance will include a responsibility to ensure that:

- There is efficient and effective use of resources in their charge.
- Public money is spent for the purposes intended by parliament.
- Appropriate standards of conduct, behaviour and corporate governance are maintained when applying the funds under their control.

The trust will respond promptly, reasonably and appropriately to any findings by the auditors.

22. Record keeping

All financial transactions of the trust are recorded including, but not limited to, the following:

- Purchases
- Returns
- Payroll
- Cash flow
- Income and expenditures
- VAT returns

The SBM is responsible for keeping up-to-date records of the trust's financial state. The SBM is responsible for keeping up-to-date records in relation to the finances of the academy.

Records will include the following information:

- Income and expenditure
- The income and expenditure for each activity, with the activity recorded as a budget heading
- A balance sheet which identifies total income, expenditure and the balance for each budget heading

- The total income and expenditure for the year
- The balance and carry forward from the previous year
- Identified profit and loss – any causing concern is investigated

A record will be kept of all the monies kept on the premises prior to banking, as well as the amount which is kept as petty cash. All financial records will be kept securely in each academy's finance office

Third party access rights

The ESFA or its agents may carry out audits and investigations at the trust. The trust will provide the ESFA with access to all books, records, information, explanations assets, premises and staff, and the ESFA may take copies of relevant documents.

Where the ESFA has concerns about financial management and/or governance at the trust, it may wish to obtain from third parties information or documentation about the trust which the ESFA considers relevant for the purposes of its investigation. The trust will provide the ESFA with written authority giving permission for any third party to provide such information to the ESFA or its agents.

23. Notices to improve

Where the ESFA has concerns about the trust's financial management and/or governance, and has issued a Notice to Improve (Ntl), the trust will comply with this notice.

The ESFA will notify the trust of the date of which it published the Ntl.

The trust will publish any Ntl issued by the ESFA on its website within 14 days of it being issued, and retain this on the website until it is lifted by the ESFA. If a Ntl is issued, the trust will seek prior approval from the ESFA for all transactions outlined in [section 19](#) specifically:

- Special staff severance payments.
- Compensation payments.
- Writing off debts and losses.
- Entering into guarantees, indemnities or letters of comfort.
- Disposals of fixed assets beyond any limit in the funding agreement.
- Taking up a leasehold or tenancy agreement on land or buildings of a duration beyond any limit in the funding agreement.
- Carrying forward of unspent general annual grant (GAG) from one year to the next beyond any limit in the funding agreement.

The trust will submit additional information, such as monthly income and expenditure accounts, if required by the ESFA. The trust will not enter into any Related Party Transactions whatsoever.

24. Whistleblowing and fraud

The trust puts proportionate controls in place to mitigate the risks of fraud, theft and irregularity, e.g. regular inspections addressing risks, and implements an Anti-Fraud Policy.

Where instances of fraud, theft or irregularity are suspected or identified the Board of Trustees will investigate it promptly and should any evidence of fraud be found, they will take appropriate action.

In any instance of fraud, theft or irregularity whereby the amount defrauded comes to a total exceeding £5,000 in a financial year, the Board of Trustees will report it to the ESFA as soon as they become aware of it.

When reporting to the ESFA on instances of fraud, theft or irregularity, the trust will include the following information:

- Full details of the event(s) with all key dates
- The financial value of the loss
- The measures taken by the trust to prevent recurrence
- Whether the matter was referred to the police and if not, the reasons why
- Whether the insurance or the risk protection agreement have offset any loss

If a member of staff suspects their colleagues are involving them in matters of fraud, they have a duty, as an employee of the trust, to raise suspicions to a member of the SLT. Reports of fraud will be treated in a fair and unbiased manner.

If the report of fraud is against a member of the SLT, the member of staff can go directly to the executive principal or chair of trustees.

The SLT of the academy will be responsible for the initial enquiries of fraud, theft or irregularity – they will then pass on their findings to the Board of Trustees for further inspection.

Upon receiving the SLT's initial findings, the Board of Trustees will:

- Determine whether further investigation is warranted.
- Determine the initial response to the alleged perpetrator when this is a member of school staff.
- Determine who will carry out the investigation.
- Determine which outside agencies will be involved.
- Assess the risk of the fraud and the perpetrator to the academy.
- Determine to whom day-to-day management of the response will be given.
- Allocate responsibility for damage limitation action.
- Determine the course of action to recover losses.
- Determine the course of action to be taken against the perpetrator.
- Evaluate the events which enabled the fraud to occur.
- Ensure preventative action is taken to prevent recurrence.
- Report to the ESFA any instances of fraud, theft or irregularity exceeding £5,000 individually, or £5,000 cumulatively in the financial year.

The trust's Whistleblowing Policy outlines the procedures to follow in the event of a report being made by a member of staff, as well as the appeals process and what can be done in the event of a whistleblower being treated unfairly.

The headteacher will ensure all staff are aware of the Whistleblowing Policy, ensuring that they understand the process of reporting a concern and what they can expect once they have brought a concern to the attention of the academy.

All concerns raised by whistleblowers are responded to properly and fairly in line with the Whistleblowing Policy.

25. ICT and Cyber-crime

Access / Backups / Maintenance

These are all taken care of by the ICT Manager and the IT Service Technician.in-house. A full audit is carried out annually by a third-party company to ensure systems are robust and fit for purpose.

Software

All software used in college is authorised (licensed for the number of computers) and appropriate for college use.

Data Protection

The college has up to date registration under the terms of the Data Protection Act - ICO, with the Business Manager as the responsible officer. The responsible officer has relevant training, gives guidance to all staff and checks routine procedures in school to ensure compliance. Paper documentation and computer data is handled in accordance with the act. The college has updated its policies in line with GDPR requirements.

The trust is aware of the risk of cyber-crime and will implement its Data and Cyber-security Breach Prevention and Management Plan across the trust.

Proportionate controls will be put in place to manage risks and appropriate action will be taken where a cyber-security incident has occurred.

The trust will obtain permission from the ESFA to pay any cyber-ransom demands and understands that the ESFA supports the National Crime Agency's recommendation not to encourage, endorse or condone the payment of ransom demands.

26. Asset register

The purpose of this policy is to provide a system that manages and protects the College's assets, enabling identification and establishment of ownership of equipment, identifying missing items following burglary or other theft and supporting claims when items are destroyed by fire.

Asset Register

A value of £1000 has been set, above which an item must be included in the Asset Register.

The Asset Register is maintained by the ICT/ Finance Team, dependent on purpose, as items are acquired or disposed of.

The Asset Register is maintained with details of the date of acquisition, purchase value, description (including make and model number)

Monitoring of Assets

The Asset Register should be checked by the SBM and the ICT Manager (not the person who maintains the Asset Register throughout the year, the Finance Manager). The SBM and ICT Manager confirms that each item on the Register is in the academy. A hard copy of the Register should be signed as correct and stored safely.

Disposal of Assets

The College takes steps to ensure that, wherever possible, value is realised from the disposal of valuable items. In particular, disposal of all items included in the Asset Register must be authorised in line with the Scheme of delegation. This is a necessary control against the inappropriate or unauthorised disposal of assets and protects against misappropriation of such items.

If any item on the Asset Register is felt to be irreparable, unsafe or surplus to requirement, the Principal or SBM is to be notified. Any member of staff wishing to dispose of an item must complete an 'Asset Disposal Form' which notes the asset details and write off value of the item. This must be authorised (signed and dated) by the Principal or SBM before the disposal can be completed.

Security of Assets

Assets should be kept securely at all times. Assets which are small in size should be kept in a lockable cupboard or room

27. Monitoring and review

This policy will be reviewed on an annual basis, or when new legislation/guidance regarding the subject is published, by the finance/resources & audit committee and the accounting officer.

The SBM in conjunction with the finance manager will review and monitor all financial records continuously throughout the year.

The next scheduled review date for this policy is March 2023

28. Scheme of Delegation

In order to allow Waingels Academies Trust to function effectively, the Board of Trustees of the Trust delegate financial authority to the Executive Principal, Head of School, SBM, Finance/Resources and Audit Committee. The extent and level of any such delegation is determined by the Board and is set out in this Scheme of Delegation of Financial Authority.

This Scheme distinguishes between matters reserved for the Board's approval or decision, and matters delegated to other individuals. The Scheme sets out financial limits and signatories applicable to various matters and ensures that there are sufficient operational controls in place for all the financial processes within the Trust.

This Scheme was approved at the meeting of the FRA Committee May 2022

Summary of Financial Authorisation levels, Waingels College

	<u>Delegated Duty</u>	<u>Value</u>	<u>Delegated Authority</u>	<u>Method</u>
1	Ordering goods and services (raising requisitions)	<=3000	Budget Holders	PO raised and signed or CC order by email to Finance. Reviewed by SBM on spreadsheet log before order.
		>£3000 <=£10,000 and within delegated budget	Budget Holders + SBM	Strategic Business Manager / Finance Officer to ensure best value demonstrated / 3 quotes unless bespoke
		>£10,000 <=20,000	Head of School or Executive Principal	Minimum of three quotes
		>20,000 <= 65,000	Finance, Resources and Audit committee + SBM	Minimum of three quotes
		Orders over £65,000	Two from, Finance, Resources and Audit committee, Executive Principal or SBM	Formal tendering process including advertising in OJEU (if over the OJEU threshold)
		Authority to accept other than best value quotation or tender	Strategic Business Manager + (Head of School or Executive Principal), or Finance and Resources committee	Written statement by SBM + Principal / F and R committee
2	Authorisation of Invoices for departmental orders	Any, within Budget	Departmental Heads / HoS / budget holder (not required if Invoices matches signed PO goods received authorisation)	Email / Signed invoices

3	Signatory for cheques	Any	Two signatories from: Executive Principal, Head of School, Senior Assistant Principal, Finance Manager or SBM	
4	Signatory for Bacs payments and other bank transfers	150K	Two signatories from: Executive Principal, Head of School, Senior Assistant Principal, Finance Manager or SBM	
5	Signatories for grant claims and EFA returns	Any	Executive Principal, and/or Chair of Trustees	
6	Raising invoices to collect income	Any	Finance Manager/Finance Assistant	
7	Virement of budget provision between budget heads	Any	Finance, Resources and Audit committee	
8	Write off of bad debts/disposal of assets/Losses	Any item on asset register <750	Executive Principal, Head of School or SBM / second mos witness	Report to F and R committee
		Over £1,000	Finance, Resources and Audit Committee	
9	Borrowing	Any	EFA	EFA
10	Leases / Photocopying only - three year maximum	Up to £20,000	Executive Principal, Head of School, (SBM + IT Manager)	
11	Purchase or sale of Property	Any	Finance/Resources and Audit committee + EFA	EFA
12	Granting or take up of any leases	Any	Finance/Resources and Audit committee + EFA	EFA
	Any invoice	<£10,000	SBM or Executive Principal or Head of School	Signed Invoice
13	Rates / Electricity / Gas / Water / Utilities / Cleaning / Other SLAs / Examinations fees	>£10,000	SBM, Executive Principal or Head of School	Signed Invoice
14	Any other Invoice	>£10,000	Executive Principal or Head of School	Signed Invoice
14	Payroll authorisation	up to £500K	Two from Executive Principal, Head of School, SBM	Signed Payroll documentation
15	Staff Severance payment or compensation	Any	Follow EFA guidance	EFA

Date of Policy	March 2022
Author of Policy	J O'Keefe
Approved by Governors	07/12/2022
Date to be reviewed	November 2023