



SEAX Trust Business Department

Financial Regulations

Issued October 2025

Document Detail	
Category:	Financial Management
Authorised By:	Board of Trustees
Status:	For Approval
Chair of Trustees Signature	
Date Approved:	
Issue Date:	Autumn 2025
Next Review Date:	Autumn 2026

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Summary of Changes May 2025

Section	Summary of Change
Throughout	Replaced CFO with CFOO. Added Trust Finance Manager and Trust Estates Manager as designated responsibility holders.
Page 3 Please note that: <ul style="list-style-type: none"> the CFO role (Chief Financial Officer) is currently held by the Trust Director of Business. 	Please note that: <ul style="list-style-type: none"> The CFOO (Chief Finance and Operations Officer) is the senior officer appointed by the Trust to oversee financial management, replacing the previous CFO (Chief Financial Officer) role.
Page 11 Mileage Allowances and Subsistence Claims A VAT registered fuel receipt must accompany mileage claim, indicating that duty has been paid on sufficient fuel for the distance covered in order for the school to be able to reclaim VAT.	A VAT receipt for fuel is only required if the school intends to reclaim VAT on the fuel element of a mileage claim. The receipt must show that sufficient fuel was purchased to cover the mileage claimed.
Page 13, Leasing (Point 3.16) Note added re new directive from DfE regarding leases	Note: Since 1 September 2024, the Department for Education (DfE) has granted general prior consent for academy trusts to enter into finance leases for certain types of assets listed in the DfE's approved list. For these assets, trusts no longer need to seek individual approval. https://www.gov.uk/government/publications/leasing-for-academy-trusts/changes-to-leasing-agreements-for-academy-trusts For finance leases involving assets not on the approved list, academy trusts must still obtain prior approval from the Secretary of State for Education.
Page 28 Cardnet/MPOS Location	Cardnet/MPOS – (locations of terminals: Thriftwood School/Kingswode Hoe/Grove House School x2 terminals)

Please note that:

- The CFOO (Chief Finance and Operations Officer) is the senior officer appointed by the Trust to oversee financial management, replacing the previous CFO (Chief Financial Officer) role.**

The SEAX Financial Regulations are subject to the SEAX Scheme of Delegation and will be updated in line with any changes to the Scheme of Delegation.

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Financial Scheme of Delegation/Authorisation & Approval Summary

Note values in red may not be changed

Expenditure Limits/Ordering Procedures

If approval for a contract that spans more than one year, the limits below apply to the total value over the life of the contract not the per annum cost.

Process	Value	Delegated Authority
Order Approval	up to £10,000 (excluding utilities) - a quote or price must be obtained before goods or services are ordered. Evidence of the quote should be retained for purchases of £5,000 and above.	Headteacher/Head of School – Deputy in their absence CEO for Central Trust Chair of the Trust Board in the CEO's absence
Order Approval	£10,001 to £30,000	CEO / Chair of the Trust Board in the CEO's absence
Order Approval (Central Trust)	Up to £30,000 within CEO allocated budget	Designed budget holder determined by CEO (excluding CFOO).
Order Approval	£30,001 to £49,999 Over £50,000	Trust RAR Committee Trust Board of Trustees
At least three written comparable quotations or a DfE compliant framework agreement to be used	£10,001 to £50,000	As per order approval
Formal Tender Process required or DfE compliant framework	Over £50,000	Trust Board of Trustees. Trustees would usually oversee the formal tender process in conjunction with a specialist
*Find a Tender Procedure (replaced OJEU)	Over £139,688 (incl VAT) – Supplies/Services Over £5,372,609 (incl VAT) – Works Rates as at Jan 2024	As per the Public Contracts Regulations 2015, Section 5 as of 17 th September 2024. *Note: subject to updates following the introduction of the Procurement Act 2023 from February 2025
Related Party Transactions	Over £40,000	ESFA approval required prior to entering into transactions. All related party transactions, regardless of value, must be reported to the ESFA
Authority to accept other than the lowest quote (supported by a business case which demonstrates an efficient, effective and economic use of resources) as per the value for money definition in the Academy Trust Handbook	Between £10,001 and £30,000 Between £30,001 and £49,999 £50,000 and over	CEO Trust RAR Committee Full tendering procedure or DfE compliant framework
Authority to accept other than the lowest tender	All values	Trust Board of Trustees

Cheque/Standing Order/Direct Debit/BACS Signatories

Value	Delegated Authority	Additional Guidance
Cheques should only be used in exceptional circumstances, where no other payment form is accepted		
Cheques Up to £10,000	Any two from the mandate list	Ensure bank mandate is complied with. See Mandate Approval List
Cheques Over £10,000	Any one plus on from Group A	
Direct Debit Mandates	Two to sign, at least one from Group A cheque limits	See Mandate Approval List
BACS	Total Value of Bacs File less than £50,000 Total Value of Bacs File more than £50,000	Any two from Bacs Approver Level 1 or 2 Any one plus one from Role 2 Approver Level 1 – see List

Virement Approval – Virements are not used at SEAX Trust

Acquisition/Disposal of Land and Buildings

Value	Delegated Authority	Additional Guidance
All Values	ESFA Approval	See ESFA website for guidance

Disposal of Surplus Stock, Stores & Assets

Value	Delegated Authority	Additional Guidance
Up to £250	Headteacher/Head of School	Write-off forms to be completed.
£251 to £1,000	CEO	Write-off forms to be completed and advised to CEO for approval
Over £1,000	Board of Trustees	Write-off forms to be completed and advised to CEO & CFOO for board approval

Write off of Bad Debts/Guarantees, Letters of Comfort or Indemnities

Value	Delegated Authority	Additional Guidance
Up to £250	Headteacher/Head of School	Write-off forms to be completed
£251 to £1,000	CEO	Write-off forms to be completed and advised to CEO for approval
£1,001 to £44,999	Trust Board of Trustees	Write-off forms to be completed and advised to CEO and CFOO for board approval
Over £44,999 single transaction	ESFA Approval	1% of total income or £45,000 per single transaction (whichever is the smaller)
Cumulative, over 5% of total income	ESFA Approval	Subject to annual limit of £250,000

Special Payments

Value	Delegated Authority	Payment Type
Up to £50,000 before income tax and other deductions	Trust Board	Staff Severance Pay or Compensation
Over £50,000 (non-statutory element)	ESFA	Staff Severance Pay or Compensation
Any Value	ESFA	Ex-gratia payments

GAG Pooling/Carry Forward

Value	Delegated Authority	Further Information
GAG pooling No limits	Trust Board	For eligible Trusts ESFA Regs 3.7.2(not PFI funded academies)
GAG Carry forward – No limits	Trust Board	For eligible Trusts ESFA Regs 3.7.1 (if numbers admitted exceed estimated pupil numbers and GAG is not spent)

Approval of Returns & Reconciliations

Return	Delegated Authority	Additional Guidance
VAT 126 Return or VAT return if registered	CFOO	One VAT return must be prepared centrally for the whole trust
Trust Bank Reconciliation	FM	To be prepared at least monthly
Budget Forecast Return	CFOO to prepare, Accounting Officer (CEO) to recommend	Trustees to approve prior to submission to ESFA
Risk Register	Local Governance Group/Executive Committee to prepare and review for local issues. Trust Board of Trustees to monitor and review	The Trust will hold a Trust-wide Risk Register for monitor and review
Register of Business Interests	Local Governance Group/Executive Committee	Trust Board of Trustees
Gifts and Hospitality Register	Local Governance Group/Executive Committee	Trust Board of Trustees
Business Continuity Plan	Local Governance Group/Executive Committee	Trust Board for Central Plan
Schools Resource Management Self-Assessment Tool	Trust Board of Trustees	
Financial Management and Governance Self Evaluation	Trust Board of Trustees to review	Only required to be completed by new academies joining the trust

Other Monetary Limits

	Limit	Additional Guidance
Mileage Allowance	HM Revenue and Customs approved rate	
Petty Cash	Up to £400 limit Individual item limit of no more than £25 Total claim by one individual not to exceed £40 in any one week	Academies are permitted to hold a small amount of petty cash. This is subject to a reconciliation being completed on a termly basis between receipts held/paid, cash held and the accounting system.
Safe Cash/Cheque Limits	£5,000 – includes cash on premises and in transit	<u>As per the Risk Protection Arrangement summary of cover</u>
Inventory Register	Items that are portable and attractive over £100	
Asset Register	Capitalisation limit £5,000	As stated in SEAX Accounting Policy

The finance policies listed below should be read in conjunction with the trust's other financial management related policies and the government's Academy Trust Handbook;

- Accounting Policy
- Gifts and Hospitality Policy
- Reserves Policy
- Anti-Fraud and Corruption Policy
- Risk Management Policy
- Investment Policy
- Whistle Blowing Policy
- Lettings Policy
- Special Payments Policy
- Staff Expenses Policy
- Trustee & Governor Expenses Policy
- Bad Debt & Redundant Equipment Policy
- Conflicts of Interest Policy

1.0 INTRODUCTION

- 1.1 The SEAX Academy Trust Board of Trustees (The Board) is the legal entity which is responsible for all the trusts academies. It is their duty to ensure that each academy operates efficiently, legally, judiciously and safely.
- 1.2 The purpose of these regulations is to ensure that the academy trust maintains and develops systems of financial control which conform to the requirements both of propriety and of good financial management. It is essential that these systems operate properly to meet the requirements of The Trust's funding agreement with the Department for Education (DfE).
- 1.3 The academy trust must comply with the principles of financial control outlined in the Academy Trust Handbook published by the DfE. These regulations expand on that and provide detailed information on the trust's accounting procedures and systems and should be read by all staff involved with financial systems.
- 1.4 The general conditions that follow are subject to annual review and consideration by the Trust Board of Trustees, whom must formally minute both the review and any subsequent amendments and approval each year.
- 1.5 The Trust Board of Trustees confirms that failure to observe these conditions is considered a serious matter and might involve disciplinary procedures being taken against the individual concerned.

2.0 ORGANISATION

- 2.1 The Trust has defined the responsibilities of each person involved in the administration of academy finances to avoid the duplication or omission of functions and to provide a framework of accountability for trustees, governors and staff. The financial reporting structure is illustrated below:

The Members

- 2.2 The Members have a similar role to shareholders of a company. Their role is to be kept informed about Trust business and should be 'eyes on and hands off'.
- 2.3 Members must not be employees of the Trust or carry out any unpaid staff roles on a voluntary basis. There should be significant separation between individuals that are Members and those who are Trustees.

The Trust Board of Trustees (The Board)

- 2.4 The Board have overall responsibility for the administration of the Trust's finances, and for maintaining the Trust as a going concern. The main responsibilities of The Board are prescribed in the Funding Agreement between the trust and the DfE and in the academy's scheme of delegation. The responsibilities of The Board are as outlined in the scheme of delegation and also in the Academy Trust Handbook. The trust board meets at least 6 times per year in accordance with the Academy Trust Handbook.

The Resources, Audit and Risk Committee

- 2.5 The Finance, Audit and Risk Committee is a committee of The Board. The committee meets at least once per term, but more frequent meetings can be arranged if necessary. The main responsibilities of the Resources, Audit and Risk Committee are detailed in the written terms of reference which have been authorised by the board and include the following:
 - Recommendation to Trust Board re each academy's budget and the central budget
 - Expenditure approval rights from £30,001 to £49,999

- Receiving monthly management reports, to facilitate the monitoring of the school's actual financial performance compared with budgeted priorities and cash flow, and taking remedial action as necessary
- Monitoring all spending and income received in the academy
- Ensuring that funding from the ESFA, Local Authority and other sources is used only in accordance with any conditions attached.
- Monitoring all contracts with a value over £30,000
- Ensuring the academy has appropriate internal financial controls in place
- Reviewing and monitoring of budget projections / medium term financial plans to ensure the school's budget is realistic and any financial decisions are sustainable
- Receiving and commenting on the content of any external or internal audit report and monitoring the implementation of the agreed action plan.
- Determining the school's financial priorities through the School Improvement Plan (SIP or AIP) and the Asset Management Plan (AMP).
- Agreeing and determining appropriate charges for lettings of the premises, in line with the academy's lettings policy.

Accounting Officer

2.6 The academy trust has designated the Chief Executive Officer as its Accounting Officer. Whilst the Accounting Officer has responsibility, under the board's guidance, for the trust's overall management and staffing, their appointment as Accounting Officer confers specific responsibilities for financial matters. In particular, the Accounting Officer is personally responsible to Parliament, and to the Accounting Officer of the ESFA, for the resources under their control, and must be able to assure Parliament and the public of high standards of probity in the management of public funds. The Trust Board need to formally minute the appointment of the CEO as Accounting Officer of the Trust. The Accounting Officer should be an employee, otherwise ESFA approval is required.

2.7 The essence of the role is a personal responsibility for:

- regularity – dealing with all items of income and expenditure in accordance with legislation, the terms of the trust's funding agreement and these regulations, and compliance with internal trust procedures. This includes spending public money for the purposes intended by Parliament;
- propriety – the requirement that expenditure and receipts should be dealt with in accordance with Parliament's intentions and the principles of Parliamentary control. This covers standards of conduct, behaviour and corporate governance;
- value for money – this is about achieving the best possible educational and wider societal outcomes through the economic, efficient and effective use of all the resources in the trust's charge, the avoidance of waste and extravagance, and prudent and economical administration. A key objective is to achieve value for money not only for the academy trust but for taxpayers more generally.

The Accounting Officer also has responsibilities for keeping proper financial records and accounts, and for the management of opportunities and risks.

2.8 Whilst the Accounting Officer is accountable for the academy trust's financial affairs, the delivery of the trust's detailed accounting processes will be delegated to the Chief Finance Officer.

2.9 The Accounting Officer must advise The Board in writing if, at any time, in his or her opinion, any action or policy under consideration by them is incompatible with the terms of the Handbook or Funding Agreement (FA). Similarly, the Accounting Officer must advise the board in writing if the board appears to be failing to act where required to do so by the terms and conditions of the Handbook or FA. Where The Board is minded to proceed, despite the advice of the Accounting Officer, the Accounting Officer must consider the reasons the board gives for

its decision. If, after considering the reasons given by the board, the Accounting Officer still considers that the action proposed by the board is in breach of the Handbook or FA, the accounting officer must advise the ESFA's accounting officer of the position in writing.

Chief Finance and Operations Officer

2.10 The CFOO works in close collaboration with the Accounting Officer through whom he or she is responsible. The CFOO also has direct access to the Trustees via the Resources, Audit and Risk Committee. The main responsibilities of the CFOO are as outlined in the post holder job description. The CFOO should be an employee otherwise ESFA approval is required.

Executive Committee

2.11 The academy may have an EC, who will work in close collaboration with the Trust's central staff. The EC's responsibilities are as set out in the scheme of delegation and include the following:

- Monitoring the annual budget
- To agree spending on projects as in line with the agreed spending limits outlined in the SEAX Trust Scheme of Financial Delegation.
- Ensuring the academy adheres to the policies and procedures as specified by The Board
- Declaring any connected party transactions or business interests
- Assist with Trust-wide procurement processes to achieve greater efficiencies
- Ensuring the local Register of Business Interests is kept up to date provided to SEAX central team for publication on their website
- Ensuring the gift and hospitality register is kept up to date
- Regularly updating and monitoring the local risk register and ensuring the implementation of any mitigating actions.
- Ensuring the academy has an up to date business continuity plan

Local Governance Group

2.12 Each academy will have a LGG/EC who will work in close collaboration with the Trust's central staff. The LGG's responsibilities are as set out in the scheme of delegation and include the following:

- Ensuring the academy adheres to the policies and procedures as specified by The Board
- Declaring any connected party transactions or business interests
- Ensuring the local Register of Business Interests is kept up to date provided to SEAX central team for publication on their website
- Ensuring the gift and hospitality register is kept up to date
- Regularly updating and monitoring the local risk register and ensuring the implementation of any mitigating actions.
- Ensuring the academy has an up to date business continuity plan

2.13 The Trust confirms that the day-to-day financial management of the school is delegated to the Headteacher/Head of School, subject to exceptions contained in these regulations. Throughout these conditions, delegation to the Headteacher/Head of School shall imply further delegation to the Deputy Headteacher when the Headteacher/Head of School is not on the school site. Where the Headteacher/Head of School wishes to permanently delegate certain financial matters or activities, then the level of that delegation shall be notified in writing to the individual(s) concerned, reported to the CEO in writing and incorporated into these conditions.

Finance Officer

- 2.14 For the purposes of this document the term Finance Officer (FO) refers to the person responsible for the day to day management of each individual academy's financial operations. Each academy should employ a suitably experienced FO to support the Headteacher/Head of School and CEO to manage and protect resources appropriately or alternatively make use of the support services provided by the academy trust.
- 2.15 The FO will work with the Headteacher/Head of School and Senior Leadership Team to ensure the academy's financial processes and finance policies are followed. They will be responsible for the effective use of resources within their organisation and will notify the Headteacher/Head of School of any issues.

The Governance Professional (Clerk to the Board)

- 2.16 The academy trust will appoint a suitably qualified governance professional who is someone other than a trustee, Headteacher/Head of School or CEO of the trust.

General Requirement

- 2.17 All employees of the academy are expected to act professionally and with integrity and follow the internal control framework and financial policies of the academy. All staff with financial management responsibilities should have access to the information and training required to perform their financial duties.

Register of Interests

- 2.18 It is important for anyone involved in spending public money to demonstrate that they do not benefit personally from the decisions they make. To avoid any misunderstanding that might arise all academy governors and staff with significant financial or spending powers are required to declare any financial interests they have in companies or individuals from which the academy may purchase goods or services. The register is open to public inspection.
- The register should include all business interests such as trusteeships or shareholdings. The disclosures should also include business interests of relatives such as a parent or spouse or business partner where influence could be exerted over a governor or a member of staff by that person.
- The existence of a register of business interests does not, of course, detract from the duties of governors and staff to declare interests whenever they are relevant to matters being discussed by the governing body or a committee. Where an interest has been declared, governors and staff should withdraw from that part of any committee or other meeting.
- All Governors and school staff must be given the opportunity to verbally declare previously undeclared interests, and any previously declared interests that may be relevant to the agenda, at every committee and Governing Body meeting.
- In accordance with the Academy Trust Handbook the business interests of the Trust's Trustees will be published on the Trust's website and will be kept up to date at all times.

Trading with Connected Parties

- 2.19 In accordance with the Academy Trust Handbook the following will apply to goods or services provided by individuals or organisations connected to the academy trust:
- The trust must pay no more than 'cost' for goods or services provided by a connected party as defined by the Academy Trust Handbook.
- The academy must ensure that any agreement with a connected party is procured through an open and fair process and is supported by a statement of assurance from the individual or organisation to the trust confirming that their charges do not exceed the cost of goods or services.

The 'at cost' requirement applies to any transactions for goods or services exceeding £2,500 cumulatively in a financial year.

Related Party Transactions

- 2.20 Trustees must ensure they avoid conflicts of interest, do not accept benefits from third parties and declare interests in proposed transactions and arrangements. No member, trustee, local governor, employee or related individual or organisation may use their connections for personal gain and no payments can be made to trustees unless permitted by the articles or by authority from the Charity Commission.
- 2.21 Trustees must report all transactions to related parties to the ESFA in advance of the transaction taking place, using the ESFA's on-line form.
- 2.22 Trustees must obtain ESFA's approval for related party transactions that are;
- novel, contentious and or/repercussive
 - the contract exceeds £40,000
 - a contract of any value that would take the total value of contracts with the related party beyond £40,000 in the same financial year

3.0 DAY-TO-DAY DELEGATION OF AUTHORITY

Expenditure Limits

- 3.1 The Headteacher/Head of School can authorise expenditure up to £10,000 (excluding utilities) on goods and services. Avoidance of obtaining higher authority by raising a sequence of smaller orders in place of one large order is not permitted.
- The Headteacher/Head of School may also authorise higher levels of expenditure for utility charges provided the value authorised has been clearly documented and approved by The Board in the school budget.
- If the value to be authorised exceeds the Headteacher/Head of School's limit for goods and services, or the value set aside for utilities in the school budget, then a higher level of approval is required, as specified below.
- Authorisation for expenditure that is between the values of £10,001 and £30,000 must be referred to the CEO.
- Authorisation for expenditure between £30,000 and £49,999 must be referred to the Resources, Audit and Risk Committee. Authorisation for expenditure of £50,000 or over must be referred to the Trust Board.

Funding Reconciliation

- 3.2 The Resources, Audit and Risk Committee will ensure that information submitted to the DfE and ESFA that affects funding is accurate and complete.
- 3.3 The Board of Trustees will challenge pupil number projections and review these termly.
- 3.4 The CFOO/Trust Finance Manager is responsible for reconciling the trust's funding budget entered on the school's financial accounting system with the monthly funding information provided by the ESFA and other government agencies. This reconciliation should be completed on a monthly basis and reviewed by the Accounting Officer.

Bad Debts/Guarantees, Letters of Comfort or Indemnities

3.5 The write-off of debts owed to the school, can be approved as follows;

Up to £250 – Headteacher/Head of School

£251 to £1,000 – CEO

£1,001 to £44,999 – Board of Trustees

ESFA Approval needed for write-offs over 1% of total funding or £45,000 per single transaction (whichever is the smaller)

A sequence of smaller write offs, all within the above limits, to cover a larger write off is not permitted.

Write offs exceeding £250 must be reported to The Board.

Disposal of Assets or Adjustments to School Inventory

3.6 The Headteacher/Head of School can authorise the disposal / adjustment of recorded school inventory items up to the value of £250. Authority for disposals / adjustments above this amount but below £1,000 must be approved by the CEO. Disposals/adjustments above £1,001 must be referred to The Board.

All disposals / adjustments must be formally recorded in the minutes of the meeting at which they were reported and discussed.

Other than Land, Buildings and heritage assets, fixed assets can be disposed without ESFA's approval subject to achieving the best price that can be reasonable be obtained, and maintaining the principles of regularity, propriety and value for money.

Mileage Allowances and Subsistence Claims

3.7 The academy will reimburse mileage expenses to individuals for business journeys at a rate in accordance with the limitations set out by HM Revenue & Customs. The claimant is entitled to be notified of this rate in advance of commencing their journey. The claimant must have suitable insurance in place to cover both the vehicle and passengers. A VAT receipt for fuel is only required if the school intends to reclaim VAT on the fuel element of a mileage claim. The receipt must show that sufficient fuel was purchased to cover the mileage claimed.

- All expense claims, excluding mileage allowance, are to be supported by VAT receipts (or other appropriate evidence of expenditure) which must be attached to the claim. Claims for subsistence can only be claimed to the maximum stated below.
- All expense claims are to be authorised by the Headteacher/Head of School.
- The CEO or Trust Board must authorise all claims relating to the Headteacher/Head of School/CEO.
- Rates of subsistence will be paid at the rate and within the conditions that adhere to the Academy Trusts policy on travel and subsistence allowances.

Breakfast	£5.00
Lunch	£7.50
Evening Meal	£15.00

- Claims for the purchase of alcohol will not be reimbursed
- The academy may not reclaim VAT without a proper VAT receipt

Receiving of Goods / Acknowledgement of Service

3.8 The person accepting the goods will be responsible for signing the delivery note to confirm the correct goods have been received. Where a purchase order has been raised, this will then be processed on the system by the FO as a GRN.

Staff Appointments/Terminations

3.9 The Trust Board of Trustees has delegated responsibility to its Local Governance Group/EC to approve a personnel establishment for their constituent school within the Trust.

3.10 The approval required for the appointment of staff or changes to contract is as follows:

Headteacher/Head of School Appointment	The Trust Board
All other staff	Headteacher/Head of School subject to the agreed establishment and budget constraints and in accordance with the Trusts recruitment and appointment policy. (CEO for the Central Team)
CFOO (Chief Financial and Operating Officer)	The Trust Board

3.11 All relevant forms and paperwork with regard to the appointment of, or amendment to contracts of staff should be sourced from the trust's Human Resources service provider. All personnel pre-employment checks should be completed and relevant clearances obtained for all staff before they start their employment.

3.12 The Board has authority to approve individual staff severance payments and compensation payments as per the Academy Trust Handbook, providing the non statutory/ non contractual element is under £50,000. Above £50,000 prior approval must be sought for the non-contractual element from the ESFA. All ex gratia payments require ESFA approval prior to being offered.

Payment of Additional Hours

3.13 With regard to staff overtime etc, the Headteacher/Head of School is authorised to incur expenditure up to the level agreed within the annual budget. Beyond this limit, authorisation can only be made by the CEO. No overtime should be undertaken without the prior approval of the Headteacher/Head of School.

Monitoring Salary Payments

3.14 It is the responsibility of the CFOO to ensure that systems are in place to record all staff contract details and that they are regularly updated to take account of new appointments, amendments and terminations of employment. This will ensure that all information on the school's financial accounting system is correct and will avoid distortion of financial information. Any payroll transactions relating to the Headteacher/Head of School will be authorised by the Trust Board.

Supply Staff

3.15

- a) All supply staff will be appointed by the Headteacher/Head of School or as otherwise directed by the Headteacher/Head of School. At the same time the appropriate commitment for the estimated costs incurred will be entered on to the school finance system. It is the responsibility of the FO to ensure this is done.
- b) It is the responsibility of the individual member of staff to agree with their line manager the hours worked in the particular payment period. The line manager will then authorise the claim and forward it to the Finance Officer. If a dispute arises over hours claimed, the Headteacher/Head of School will be informed immediately.

Leases

3.16 Under UK financial reporting standards applicable to academy trusts, there are 2 types of lease:

- finance leases: these are a form of borrowing
- operating leases: these are not borrowing.

The ESFA's prior approval must be obtained before taking up a finance lease on any asset not on the DfE approved list for any duration from another party.

Note: Since 1 September 2024, the Department for Education (DfE) has granted general prior consent for academy trusts to enter into finance leases for certain types of assets listed in the DfE's approved list. For these assets, trusts no longer need to seek individual approval. <https://www.gov.uk/government/publications/leasing-for-academy-trusts/changes-to-leasing-agreements-for-academy-trusts>

For finance leases involving assets not on the approved list, academy trusts must still obtain prior approval from the Secretary of State for Education.

Insurance

3.17 Insurance cover for the academy will be arranged at Trust Board level. Insurance cover will include:

Public Liability
Buildings and Contents
Terrorism
Business Interruption
Employer Liability
Hirers Liability
Governors/Trustees Liability
School Journey
Personal Accident
Motor
Engineering

If maternity or sick pay insurance is required this will be arranged at local academy level. Business continuity plans should be established in each academy by the Headteacher/Head of School and Trust

Finance Manager/CFOO and reviewed annually by the LGG/EC. Copies should be provided to SEAX Trust

4.0 FINANCIAL PLANNING AND REVIEW

Budget Planning / Setting

- 4.1 The school's overall budget plans (both one year annual and multiyear forward financial plans) will be prepared by the Headteacher/Head of School, local Finance Officer and Trust Finance Manager /CFOO in consultation with the CEO/EC. The budget will be prepared having regard to all known needs of the school including the School Improvement / Development Plan and the Asset Management Plan. It is the responsibility of the CFOO to ensure that all the required budgeting paperwork is submitted to The Board in accordance with the published timetable.
- 4.2 Detailed records will be kept of all information used in preparing the budget, including estimations of staffing requirements and calculations of all costs, cross referenced to the assumptions made.
- 4.3 The Trust Finance Manager and Finance Officers will be responsible for ensuring that the school has budget business plans in place for all trading activities e.g. catering, uniform sales, lettings etc. The business plan should clearly show the anticipated operating surplus or deficit. If a subsidy is required from the Delegated Fund to cover a budgeted deficit, then this must be formally approved by the Trust Board and recorded in the minutes of the meeting at which it was discussed and agreed. All budgeted business plans should be clearly linked to the School Development Plan.
- 4.4 The school budget will be submitted to The Board for final approval.
- 4.5 The approved budget should be promptly loaded onto the school's financial accounting system.
- 4.6 A copy of the signed budget plan is to be placed in the local minute file and a further copy retained by the Headteacher/Head of School.

Budget Monitoring

- 4.7 The CFOO will be responsible for monitoring actual income and expenditure against budget for each line item and producing and circulating appropriate reports to the RAR and Trust on a monthly basis. Urgent budget issues will be reported to the RAR immediately.
- 4.8 The CFOO will circulate monthly management accounts, including income and expenditure reports on an accruals basis, cash flow forecasts and balance sheets to the RAR and Trust Board, together with a written explanation of significant variances against budget, and with a projection of income and expenditure to the year-end. The limit for expenditure accruals will be £1,000 per invoice that crosses more than one period.
- 4.9 The CFOO will prepare medium term financial forecasts and present them to the board termly.

Resource Management

- 4.10 The Trust will ensure that it manages its resources effectively. To support with fulfilling this responsibility they will ensure that the following is carried out:
 - Carrying out regular benchmarking with other trusts in a similar context
 - Annually completing the Schools Resource Management Tool and preparing an action plan. The completed tool must be submitted to the ESFA by their required deadline.
 - Engaging with the DfE's approved frameworks when procuring goods and services.
 - Ensuring each school's curriculum is integrated with the trust's financial planning strategy
 - Ensuring each school's staffing structure is reviewed regularly and is integrated with the trust's financial planning strategy.

Financial Returns

- 4.11 The CFOO will be responsible for preparing all the financial returns required by the Education Skills Funding Agency. All returns will be completed in the required timescales.
- 4.12 In order to give a true and fair view the financial statements for the annual accounts must be prepared according to the requirements of the Companies Act 2006 and Regulations made under the Act, and applicable United Kingdom accounting standards. Academy Trusts must also prepare their accounts in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities (revised) ('the SORP'). They must also be prepared in accordance with the accounting policies agreed by the Board. A copy of the SORP together with accompanying information sheets, other Charity Commission guidance and legislation are available to view and download from the Charity Commission website at:
- http://www.charitycommission.gov.uk/Charity_requirements_guidance/Accounting_and_reporting/Preparing_charity_accounts/
- 4.13 The Trust Board is responsible for approving the trust's annual accounts and annual report and ensuring the annual accounts are audited and submitted to the Education Skills Funding Agency by the required deadlines. Details of the financial information required are as set out in the latest Accounts Direction for the year being reported.
- 4.14 In addition to submitting accounts to the Education Skills Funding Agency, under section 442 (2a) of the Companies Act 2006, accounts must be filed with Companies House within 9 months of the end of the accounting period.
- 4.15 The ESFA require the Academy to publish its Annual Accounts and Annual Report by 31st January. This will be done via the academy trust's website.
- 4.16 The Trust's audited accounts must be provided to the members.

5.0 INTERNAL CONTROL

The objectives of Internal Control are to give the Academy Trust confidence that as far as is reasonably possible:

- a) the academy's accounting records are accurate and complete
 - b) the financial procedures in operation minimise the risks of misappropriation of funds and assets
 - c) the trust achieves best value.
- 5.1 The Trust Finance Manager is responsible for carrying out monthly bank statement reconciliations for all bank accounts within one week of receipt. All discrepancies are to be investigated immediately and reported to the Headteacher/Head of School/CFOO/CEO and, if appropriate, the bank.
- 5.2 The Finance Officer is responsible for ensuring that VAT transactions are recorded accurately. The CFOO is responsible for preparation and submission of the central trust VAT return and will ensure that VAT control accounts reconciled to support in the preparation of a central trust VAT return.
- 5.3 The Trust Board is responsible for ensuring that internal scrutiny audits take place to provide assurance that the internal controls are robust. The Board will commission an external provider to carry out annual internal scrutiny audits. The CFOO/ Trust Finance Manager will ensure that an action plan is drawn up to address any weaknesses identified and will review this on a regular basis. All internal audit reports will be reviewed by The Board.

- 5.4 The Resource, Audit and Risk Committee will approve the scope of the internal scrutiny work to be conducted per financial year. This will include financial and non-financial controls and a regular external review of governance .
- 5.5 The Trust Board must submit to the ESFA an annual summary of the internal scrutiny work that has been completed which includes areas reviewed, key findings, recommendations and conclusions by 31st December.
- 5.6 It is a legal requirement for the trust to prepare audited, consolidated accounts. The Board will appoint the statutory auditors to audit the accounts and confirm that they are "true and fair". The CEO and CFOO will be required to ensure that up to date and accurate accounts are available and that year end processes are followed. The CFOO, Trust Finance Manager school Finance Officer and Headteacher/Head of School will need to be available to support the statutory auditors in conducting their work.
- 5.7 The Trust Board will prepare an annual report that evaluates the performance of the external auditors, in accordance with the Academy Trust Handbook and make a recommendation for the reappointment, retendering or dismissal of the auditors. Members are responsible for the appointment or removal of external auditors. The re-tender of external auditing services will take place at least every 5 years.

Separation of duties

- 5.8 It is the responsibility of the Headteacher/Head of School to ensure that key financial duties are properly separated between individuals. Functions to be separated between staff will include:
- a) Execution – the placing of an order and receipt of goods and services, and the charging and receipt of a fee.
 - b) Authorisation – the authorisation of a transaction such as a purchase order and the payment.
 - c) Payment – the raising of cheques / BACS and cheque / BACS signatories.
 - d) Custody – the holding of goods and services.
 - e) Recording – the completion of the accounting records
 - f) Post transaction management checking– reviewing previous transactions to identify errors or intentional manipulation

Accounting Arrangements

- 5.9 The financial transactions of the academy must be recorded in accordance with Academy Trusts approved accounting policies and recorded on the accounting system. All transactions input into the accounting system must be authorised in accordance with the procedures specified in this manual.
- 5.10 Entry to the accounting system is password restricted.
- 5.11 Access to the component parts of the accounting system can be restricted and the CFOO/ Trust Finance Manager is responsible for determining access levels for all members of staff using the system.
- 5.12 The trust will have a standard chart of accounts which will be used by the individual academies. Requests to set up new ledger codes need to be made to the Trust Finance Manager. The FO can maintain their own cost centres to suit their own individual internal budget monitoring requirements.
- 5.13 The CFOO/ Trust Finance Manager is responsible for ensuring there are effective back up procedures for the accounting system.
- 5.14 The FO is responsible for ensuring the following reconciliations are carried out on a monthly basis and account balances reviewed.
- Debtor control accounts
 - Creditor control accounts

- Payroll control accounts
- Sundry creditors/accruals
- Sundry debtors/prepayment
- Suspense accounts
- Intra-company accounts
- Fixed asset accounts
- Any other balance sheet accounts as appropriate

Any unusual or long standing reconciling items should be brought to the attention of the CFOO.

6.0 ASSETS AND INVENTORY

6.1 The FO should ensure that all items which have a useful life and value lasting more than one year and which is above the de minimis level set in the Trusts accounting policies (currently £1,000) are recorded on a fixed asset register and capitalised in the accounting system. The asset register should include the following information.

- asset description
- date of acquisition
- asset cost
- invoice number
- source of funding
- expected useful economic life/depreciation
- current book value
- supplier

Condition of the items should be reviewed annually and adjustments made to the register if required.

Inventory

6.2 Each academy in the trust will keep an inventory to

- Ensure proper physical control of school equipment.
- Provide a basis for insurance cover and claims if equipment is damaged or destroyed.
- Provide an up-to-date record of the equipment available for teaching purposes.
- Help the school plan its equipment replacement programme.

All portable items of equipment will be security marked with the name and postcode of the school. If the school chooses to use an invisible form of marking then the item of equipment must carry a visible reference to the fact that the equipment has been security marked. Items not security marked are potentially not covered by insurance.

The following categories of inventory will be entered in the inventory register at the time of acquisition by the academy:-

- All items valued at £250 or more at the time of acquisition or purchase, either individually or as a set.
- Items below the value noted above but which are considered attractive and portable with a value over £100.
- Items considered by the Headteacher/Head of School as being worthy of inclusion (furniture, all ICT assets including mobile phones).
- Items hired to or leased by the school, that match any of the above criteria will be included but identified accordingly.

The inventory register will record the following information;

- Item description.
- Invoice Number
- Serial number or asset reference number.
- Date acquired.
- Acquisition cost.
- Asset location.
- If item has been security marked.
- Date of last physical check.

The FO is responsible for maintaining the inventory register.

All inventory items recorded in the register will be checked annually by a member of the Leadership Team and certified as correct. Any adjustments arising from the physical check must be authorised as laid down in 3.6 above. Evidence of the annual check taking place will be by date and signature of the person responsible for the check on the inventory sheets used for the check.

These sheets will be retained on file for at least 24 months to provide an audit trail for changes made to the register as a result of the check.

All authorised disposal of school inventory must be recorded, showing the method of disposal and the authority for such action (see Section 3.5).

A separate 'Off Site Register' shall be kept for all items loaned to members of staff and pupils. In the event of any items not being on site when the inventory is checked, reference shall be made to this on the documentation used for the inventory check.

7.0 BANKING ARRANGEMENTS

- 7.1 All decisions with regard to choice of banking service provider and subsequent banking arrangements will be made by The Board.
- 7.2 The RAR must ensure that the academy accounts never become overdrawn. Any concerns regarding cash flow should be reported to the CFOO.
- 7.3 The Trust Finance Manager is responsible for carrying out monthly bank statement reconciliations for all bank accounts within two weeks of receipt. Any un-reconciled payments older than six months, and unreconciled receipts older than one month, must be investigated and appropriate action taken.
- 7.4 Trustees will wish to maximise income as far as possible and, where appropriate, a high interest or deposit account will be maintained, in addition to the normal current account. The Trust need to ensure compliance with the Trusts Investment Management Policy.
- 7.5 Direct Debit or Standing Order payment arrangements must be authorised by two of the following authorised signatories and retained on file for reference.

Category A signatories

SEAX Trust Chair of the Board – Sally Lockyer

SEAX Trust Vice Chair of the Board - Caroline Vardy

Accounting Officer - Ruth Sturdy

Category B signatories

Academy Headteachers/Heads of School

Academy Deputy Heads/other nominated staff

CFOO

Trust Finance Manager

A current bank mandate must be retained on file and the mandated signatories should be consistent with those detailed above. The SEAX Trust Finance Manager must be provided with a list of Direct Debit suppliers and a payment timetable. A copy of the mandate should be stored at SEAX Trust Head Office.

- 7.6 An academy may use BACS facilities to replace cheques. The principles and authorisation remain the same as for cheque payments.
- 7.7 BACS procedures and control are as follows:
- On initial set up The Finance Officer will contact the supplier for written confirmation of their bank details using the SEAX Trust request form.
 - On receipt of their bank details (or subsequent changes thereto) the Finance Officer will telephone the company to verify their bank details and will write/sign on the form that this has been completed

- The bank details are then input into the Financial Accounting System and are double checked and signed off by a second member of staff. This signed evidence of independent checking is to be retained for audit purposes
- On a monthly basis and audit trail report will be generated to show any suppliers bank details that have changed- all changes on this report are to be checked off against bank details provided by the supplier and authorised by the CFOO This signed evidence is to be retained for audit purposes.
- All BACS payments generated on the accounting system, together with supporting invoices, will be approved electronically by 2 approved signatures, in accordance with the bank mandate and the financial regulations, to confirm authorisation for payment.
- The BACS bureau procedures will be completed, ensuring the separation of duties are maintained. Payment advices are to be sent to each supplier.

7.8 When banking money received (either cash or cheques) the bank paying in slips will be completed in full, clearly showing the split between cash and cheques, and each cheque will be listed separately. This may also be by means of a Cash Analysis Sheet – clearly identifying the bank paying in slip number.

8.0 PURCHASING AND PAYMENT PROCEDURES

8.1 Budget holders will be responsible for requesting the purchase of items or services from their own budgets and in accordance with their delegated limits.

This will be done by the completion of an Internal Order Form which will be sent to the Finance Officer.

8.2 On receipt of an order form a check will be carried out to determine that the appropriate budget has sufficient funds to meet the order. Where sufficient budgeted funds are identified the Finance Officer will raise an official sequentially numbered Purchase Order to send to the supplier/contractor. Reference will be made as appropriate to the procurement standards laid down by the academy trust. The Trust maintains a single Purchase Ledger, with a single order book. All orders are authorised online via PS Financials, in line with financial regulation requirements.

8.3 Orders are to be authorised in accordance with the 'Authorisation Limits' set out in the front of these Regulations and section 3.1 of these Regulations.

8.4 If an order is placed verbally due to urgency an order form should be used to ensure that a commitment is promptly raised on the financial accounting system. It is not acceptable to wait until the invoice/ delivery note is received before entering a commitment onto the financial accounting system.

8.5 All invoices received will be checked against the original order for accuracy (and delivery notes where appropriate) and entered promptly on the school's financial system.

8.6 The cheque signatories are any two from the following:-

Category A signatories (over £10,000)

SEAX Trust Chair of the Board - Sally Lockyer

SEAX Trust Vice Chair of the Board - Caroline Vardy

Accounting Officer - Ruth Sturdy

Category B signatories

Academy Headteachers/Heads of School

Academy Deputy Heads/other nominated staff

CFOO

- 8.7 The CFOO is designated to control cheques / BACS and must ensure that:
- a) A current bank mandate is kept on file and that the mandated signatories are consistent with those noted in 7.5 above. The file will be held at SEAX Trust Head Office
 - b) Cheque / BACS run / remittance reports are kept on file and are signed by at least one cheque signatory confirming an unbroken sequence of cheque numbers. Bacs runs are signed electronically via the Commercial Banking Portal
 - c) Spoiled cheques are cancelled on the financial system, defaced and retained on file to confirm that all cheques have been accounted for.
 - d) All blank cheques are securely stored and properly accounted for.
 - e) Blank cheques are not pre-signed
 - f) Continuous cheque stationery is not used at SEAX Trust
 - g) All raised cheques / BACS are entered correctly on the financial accounting system.
 - h) Minimum remaining cheque levels are established with the bank.
- 8.8 The Headteacher/Head of School must ensure that all prime financial records are retained for six financial years plus the current year and are stored in a secure and logical manner. Invoices are scanned into PS Financials and attached to their relevant online journal
- 8.9 Cheques / BACS payments will be issued in accordance with the trading terms of the individual contractor or supplier since due regard must be taken of the 'Late Payment of Commercial Debts Regulations 2002'.
- 8.10 If discounts are available for prompt payment, then payments can be made immediately, having taken into account any loss of interest that might arise.
- 8.11 A copy of the computer-generated remittance advice relating to the cheque / BACS payment will be kept in a bacs/cheque file. This may be an electronic file within PS Financials. PSF will assign a unique number to each individual bacs submission.
- 8.12 Original invoices must be marked as paid to ensure duplicate payments are not made, together with details of the cheque number if relevant.
- 8.13 Copy invoices are not to be paid unless verified that payment has not previously been made. References back to the original order are to be made in every case. Once the checks have been made, the invoice should be signed to confirm this and endorsed "copy invoice not previously passed for payment".
- 8.14 Under no circumstances are payments to be paid against statements.
- 8.15 Where appropriate, adequate checks are to be made that the contractors employed for buildings work have Public Liability Insurance Cover, minimum value £5,000,000. It is the responsibility of the Headteacher/Head of School to ensure that this is complied with. It is the responsibility of the Trust to ensure that each school increases this requirement if the Trust insurance company requires a higher level for specific high value works.
- 8.16 For any order or purchase which is estimated to be less than £10,000 in value, for the supply of goods, materials or services, the budget holder must ensure value for money is obtained by obtaining at least one quote. Evidence of the quote should be retained on file for purchases between £5,000 and £10,000.
- Orders and purchases between £10,001 and £50,000, will be subject to the receipt of at least 3 competitive quotations, documentary evidence of the various quotations must be obtained and attached to the purchase order and appropriately authorised. Where a quotation other than the lowest is accepted authorisation from the CEO is required. The trust will check the DfE's approved frameworks when carrying out procurement activity.
- In accordance with agreed procurement standards, approval of contracts over £50,000 will only be made after following the tendering procedure. The Board will oversee all tendering processes on behalf of the trust.

Internet Purchases

- 8.17 At all times, the same rigour of internal control must be placed on internet purchases as is normally applied to standard procurement with regard to separation of duties, authorisation controls and independent management checking.

- 8.18 The Finance Officer will be authorised to place online purchases. The internet order must be raised in the name of the school with the school's address, not to an individual.
- 8.19 Requests should be made to the Finance Officer from the budget holder in the normal manner (section 8.1), an official order should be raised on the financial accounting system and authorised as specified (section 8.3). Where possible the official order number should be quoted on the internet order as a cross reference.
- 8.20 It is the responsibility of the FO to ensure the internet is the most appropriate means for procurement.
- 8.21 The preferred method of payment for internet purchases will be the request of an invoice from the supplier, which can be paid via the school's normal payment route.
- 8.22 Payment by an individual's personal credit card should only be considered when the above options have been exhaustively attempted and failed. The correct authorisation procedure for purchases should still be adhered to (section 8.2), and the school retains the right to refuse to reimburse the individual if the school's procedures are not followed.
- 8.23 Reimbursement to individuals should be made in the normal manner upon production of an original invoice / receipt.
- 8.24 Supplier invoices, delivery notes and all relevant documentation should be obtained for all internet purchases and retained within the normal filing system (section 8.2). This is especially important if the school is to recover any VAT element.
- 8.25 All purchases should only be made from secure websites that the AFL has gained reassurance are safe and free from fraudulent activity. The use of online auction websites is not recommended.

Purchase Cards

- 8.26 Purchase cards may be issued by the academy to key staff members to purchase items for the academy instead of using petty cash.
- Cards are issued in the academy's name
 - Cards are held by the nominated trust staff.
 - Cards are kept in the academy safes when not in use
 - Card purchases are subject to the schools purchase/expenditure limits/procedures as detailed above – all expenditure should be authorised prior to transaction – this includes online purchasing
 - Personal use is not permitted
 - Prime documents will be retained for 6 years + current
 - Internet purchase limits are detailed above
 - Monthly statements are authorised by the Headteacher/Head of School.
 - Any purchase card statement (with transactions i.e. not a NIL balance) in the name of the Headteacher/Head of School will be reviewed and signed by the CEO. The CEO's purchase card statement (with transactions i.e. not a NIL balance) will be reviewed and signed by the Chair of the Trust Board.
 - Misuse of purchase card by individuals must be reported to the Headteacher/Head of School and CEO.

8.0 TENDERING PROCEDURES

Introduction to Tendering

- 8.27 Approval of contracts over £50,000 will only be made following the academy's tendering procedure. If the academy undertakes a high-value or EU-Qualifying purchase an Invitation to Tender will need to be issued as part of the process. An Invitation to Tender (ITT) is a pack of documents sent out to potential suppliers inviting them to submit a bid.

- 8.28 For more specialist or complex works and purchases, the trust may choose to appoint a professional third party to carry out the tender process on their behalf i.e. consultant, architect etc.). If a third party is used, it is expected to apply these regulations with the same rigour and ensure that the principles of the Office of Government Commerce (OGC) Procurement Policy and Standards Framework are adhered to.

Forms of Tenders

- 8.29 There are three forms of tender procedure: open, restricted and negotiated and the circumstances in which each procedure should be used are described below.

Open Tender: This is where all potential suppliers are invited to tender. The budget holder must discuss and agree with the Headteacher/Head of School/CFOO/Trust Estates Manager how best to advertise for suppliers e.g. general press, trade journals or to identify all potential suppliers and contact directly if practical. This is the preferred method of tendering, as it is most conducive to competition and the propriety of public funds.

Restricted Tender: This is where suppliers are specifically invited to tender. Restricted tenders are appropriate where:

- there is a need to maintain a balance between the contract value and administrative costs,
- a large number of suppliers would come forward or because the nature of the goods are such that only specific suppliers can be expected to supply the academy's requirements,
- the costs of publicity and advertising are likely to outweigh the potential benefits of open tendering.

Negotiated Tender: The terms of the contract may be negotiated with one or more chosen suppliers. This is appropriate in specific circumstances:

- the above methods have resulted in either no or unacceptable tenders,
- only one or very few suppliers are available,
- extreme urgency exists,
- additional deliveries by the existing supplier are justified.

Preparation for Tender

- 8.30 Full consideration should be given to the objective of project, overall requirements, technical skills required, after sales service requirements and form of contract. It may be useful after all requirements have been established to rank requirements (e.g. mandatory, desirable and additional) and award marks to suppliers on fulfilment of these requirements to help reach an overall decision.

Invitation to Tender

- 8.31 If a restricted tender is to be used then an invitation to tender must be issued. If an open tender is used an invitation to tender may be issued in response to an initial enquiry.

An invitation to tender should include the following:

- introduction/background to the project;
- scope and objectives of the project;
- technical requirements;
- implementation of the project;
- terms and conditions of tender
- form of response

- 8.32 **Aspects to Consider**

Financial

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

Technical/Suitability

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

Other Considerations

- Pre sales demonstrations
- After sales service, warranties
- Financial status of supplier. Suppliers in financial difficulty may have problems completing contracts and in the provision of after sales service. It may be appropriate to have an accountant or similarly qualified person examine audited accounts etc.

Tender Instructions

- 8.33 The invitation to tender should state the date and time by which the completed tender document should be received by the academy. Tenders should be submitted in plain envelopes clearly marked to indicate they contain tender documents. The envelopes should be time and date stamped on receipt and stored in a secure place prior to tender opening. Tenders received after the submission deadline should not normally be accepted.

Tender Opening Procedures

- 8.34 All tenders submitted should be opened at the same time and the tender details recorded. A separate record should be established to record the names of the firms submitting tenders and the amount tendered. This record must be signed by both people present at the tender opening.

At least two people should be present for the opening of tenders as follows:

Headteacher/Head of School

CEO

Chair of EC

A Trustee on the Resources and Audit Committee

CFOO

Trust Estates Manager

Tendering Evaluation and Acceptance

- 8.35 The Board has set a minimum requirement of 3 tenders for fair evaluation purposes and in the interest of achieving best value. In any consideration of less than that number being received, The Board should consider whether this is sufficient and consider re tendering. Decisions to go ahead should fully document the justification.

- 8.36 The evaluation process should involve at least two people. Those involved should disclose all interests, business and otherwise, that might impact upon their objectivity. If there is a potential conflict of interest then that person must withdraw from the tendering process.

- 8.37 Those involved in making a decision must take care not to accept gifts or hospitality from potential suppliers that could compromise or be seen to compromise their independence.
- 8.38 Full records should be kept of all criteria used for evaluation and a report should be prepared for the Trust Board highlighting the relevant issues and recommending a decision.
- 8.39 Where required by the conditions attached to a specific grant from the DfE / ESFA, their approval must be obtained before the acceptance of a tender.
- 8.40 The accepted tender should normally be the one that is economically most advantageous in terms of best value to the academy that meets all the requirements. All parties should then be informed of the decision. Where a tender other than the lowest has been accepted, the reasons for its acceptance must be documented and reported to the Trust Board. All decisions made must be justified and recorded as such in the minutes of that meeting for future reference.
- 8.41 A copy of the tender documentation should be held on site for easy reference as required.
- 8.42 Acceptance of any tender will be confirmed to the contractor in writing and no work shall be started until this has been done.
- 8.43 Any contracts awarded will include a paragraph to the effect that any contractor will be prohibited from transferring or assigning, directly or indirectly, any portion of the contract to any other person or contractor, without the written permission of the Trust Board.

9.0 PETTY CASH

- 9.1 Minor items of expenditure can be paid for or reimbursed to staff through the school's own petty cash system. The amount to be held for petty cash disbursements should be agreed by the RAR but must not exceed £400.
- 9.2 Expenditure paid through petty cash should not exceed £25 on any one item, and not exceed £40 in any one week to one individual. Requests for amounts above this limit can only be authorised by the Headteacher/Head of School.
- 9.3 All purchases made through petty cash, regardless of size, should be pre-authorised by the Headteacher/Head of School. Purchases made through petty cash by the Headteacher/Head of School must be pre-authorised by the CEO.
- 9.4 All payments made must be supported by a VAT receipt for the goods purchased, along with an appropriate voucher signed by the member of staff receiving the cash.
In order for the VAT to be recovered the VAT receipt needs to be scanned and attached to the journal entry to support in the completion of the central VAT return. In the absence of a scanned VAT receipt the expenditure needs to be coded as out of scope for VAT purposes.
- 9.5 All petty cash will be kept in a locked box in the safe and the Finance Officer will be responsible for its security.
- 9.6 The amount of petty cash held in the school must be kept to a minimum and should never exceed £400 at any one time. The maximum amount of cash held in the school at any time must never exceed the insured limit for the safe as set by the school's insurance cover.
- 9.7 The Finance Officer will be responsible for the prompt entry of transactions onto the accounting system. The Finance Officer will be responsible for the termly reconciliation of the petty cash. Expenditure plus cash in hand should equal the petty cash balance on the accounting system. Documented reconciliations will be signed by the Headteacher/Head of School.

10.0 PAYROLL AND PERSONNEL PROCEDURES

- 10.1 All staff appointments, amendments to an employee's terms of employment and terminations of employment are to be made in accordance with the arrangements laid down in 3.9.

- 10.2 Neither the Headteacher/Head of School nor the Deputy Headteacher can authorise amendments concerning their own pay and contract conditions. Changes to the Headteacher/Head of School's pay and contract conditions must be authorised by the Trust Board.
- 10.3 The Board of Trustees must ensure its decisions around executive pay follow a robust evidence-based process and are reflective of an individual's role and responsibilities. As per the Academy Trust Handbook, the following process should be followed;
- The procedure for determining executive pay is agreed by the board in advance and documented
 - Decisions around executive pay reflect independence and objective scrutiny and conflicts of interest are avoided
 - Factors in determining the level of pay are clear
 - Benchmarking has been carried out to ensure the level of pay reflects value for money and is relative to the public sector market
 - The process and rationale are all clearly documented.
- 10.4 The Trust will publish on its website, in a separate readily accessible form, the number of employees whose benefits exceeds £100k, in £10k bandings, as an extract from the disclosure in its financial statements for the previous year ended 31 August.
- 10.5 The FO has responsibility for checking and reconciling actual monthly payroll payments and deductions to those expected and committed.
- 10.6 Payments made each month to the Payroll Service Provider and payments made to outside staff agencies are to be debited against the relevant budgets and credited to the payroll control accounts. After the appropriate BACS transfers and the corresponding entries in the payroll control accounts and the school bank accounts have been made, any balance remaining in the payroll control accounts must be reconciled, and appropriate explanations documented. It is the responsibility of the FO to ensure that this is done.
- 10.6 Each month the FO will reconcile back to the bank statement all payments for salaries, BACS, and other salary related payments.
- 10.7 The FO will check personnel records maintained by the school to the payments actually made by the Payroll Service Provider. It is expected that over the course of a year, every member of staff would have had his/her salary payment checked against personnel records at least once. It is the responsibility of the Trust Finance Manager to ensure this is done.
- 10.8 Copies of all individual notifications to the Payroll Service Provider will be filed by the FO/HR Manager in the personal file of the staff member concerned and kept secure.

11.0 INCOME

General

- 11.1 It is the responsibility of the Finance Officers to ensure that all income due to the academy has been received, banked and that all income due to the academy is collected and reconciled to its financial accounting system.
- 11.2 The trust and its academies are cashless. In exceptional circumstances where cash/cheques are accepted (at Headteacher/Head of School discretion), all income received should be recorded immediately on the Academy's daily record books and entered onto the academy's financial accounting system. The collection record should contain the amount received, the name of the person / organisation making the payment, the date the payment is received, and the method, i.e. cash or cheque. Daily Record Books could be in the form of paper sheets, excel spreadsheets or online cash collection agencies such as Parentpay, Arbor.
- 11.3 All income received by the academy should be banked at a minimum fortnightly and in full (unless the individual academy collects most cash via online collection. In this case smaller cash/cheque amounts may be banked on a monthly basis). The insurance policy cover for cash and cheques held on site must not be exceeded. However, if a high level of income is expected e.g. proceeds from a fete, the insurer must be informed to obtain additional short-term cover, and the income must then be banked as soon as is practicable.

- 11.4 Personal cheques should not be cashed.
- 11.5 When income is banked the collection record must be totalled in value in order to provide a clear cross reference to the value entered on the bank paying in slip. The bank paying in slip number should then be entered onto the income collection record to assist in providing a clear and simple audit trail.
- 11.6 When banking money received (either cash or cheques) the bank paying in slips will be completed in full, clearly showing the split between cash and cheques, and each cheque will be listed separately, either on the bank paying in slip, or the Cash Analysis Sheet.
- 11.7 Income received by the academy will be acknowledged to the payer by either i) issue of a receipt when the value of the payment exceeds £20 or, ii) by the collector signing an official collection record i.e. Residential Trip Payment Card. No category of income should be excluded from the issue of a receipt e.g. academy meals. Copies of receipts issued should be retained for future reference, e.g. to resolve a dispute over payment. If an online payment system is used, entry onto the system by school staff will be deemed to be a receipt a parents and carers will be able to view all entries for their children.

Custody

- 11.8 Where required, official, pre-numbered academy receipts should be issued for all cash and cheques received where no other formal documentation exists. All cash and cheques must be kept in the safe prior to banking.
- 11.9 Monies collected must be banked in their entirety (intact) in the appropriate bank account. The Finance Officer is responsible for preparing reconciliations between the sums collected, the sums deposited at the bank and the sums posted to the accounting system and related system generated reports. The reconciliations must be prepared promptly after each banking and must be reviewed and certified by the Finance Officer.

Trips – Manual System (or alternatively see automated systems below)

- 11.10 Finance staff take responsibility for the collection of sums due. A record will be maintained for each student intending to go on the trip, showing the amount due
- 11.11 Students should make payments at the Finance Office. Receipts will be issued as described above, including online cash collection entries.
- 11.12 The finance staff should maintain an up to date record for reach student, showing the amount paid and the amount outstanding. The finance staff are responsible for chasing late payments

Automated On- Line Payments

- 11.13 When setting up a contract with a new supplier for provision of an on-line payment system, consideration should be given to the following areas:
- i) Basis of fees payable to the company
 - ii) Complete audit trail and facility of income reconciliation of totals received
 - iii) Reminder facilities to chase up overdue amounts

Any contract for the services of an online parental payment system Service Provider will be reviewed regularly to ensure that the academy is getting value for money and that the provider is giving an adequate service. A copy of the contract should be held at each academy.

11.14 Academies may use online cash collection systems for recording and collecting payments made in respect of its students. Parents and carers may pay online by means of a credit or debit card, or by PayPoint at authorised shopping outlets. Cheque and cash payments will be entered by finance staff. There may be a facility to record payments made by academies on behalf of the student – e.g. PPG support.

Catering / Meals Income

11.15 **Academy Meal Income Class Registers:** the completion of manual registers must be in ink. Online registration may be used where appropriate. The value of income collected must be reconciled to the number of paid-for meals provided. The value of academy meal income banked must be supported by a consolidated summary sheet of income by class register which provides a clear cross reference to the value entered on the bank paying in slip. The bank paying in slip reference number should be entered on the consolidated summary sheet.

11.16 **Academy Meal Income Software Packages:** the bank paying in slip reference number should be entered onto the academy meal system to provide a simple and clear audit trail from income received to income banked.

Receipts for academy meal income should be issued when the value of the payment received exceeds that stated at 11.7. Receipts will be deemed to be provided by means of SIMS Agora/Parentpay/Arbor once the system is in use, as parents and carers will be able to see all payments recorded by finance staff.

11.17 Cafeteria Style Catering – Till Collections

Adequate records of number of meals served, together with amounts received must be kept. This could be through PS Financials journals, spreadsheets, or till receipts. Reconciliations of meals taken to payments received should be carried out regularly. All banking should be subject to the same limits as detailed above.

11.18 Cardnet/MPOS – (locations of terminals: Thriftwood School/Kingswode Hoe/Grove House School x2)

Cardnet terminals must be stored securely in a locked safe when not in use. Cardnet terminals are stored at 2 school locations and are available for use across the trust.

Cardnet is managed by Lloyds Bank Plc. A daily transactions report must be downloaded from Cardnet's 'Merchant Portal' and a daily reconciliation must be performed by the Finance Officer who should ensure that the income accounting entries and transaction fee are posted into PS Financials. Settlement for card payments will be received into the trust's bank account on the third working day to enable the bank reconciliation to be performed by the Trust Business Director.

Provision of Services e.g. Outreach, Consultancy

11.19 Schools and the central team may choose to generate income by offering services to external or internal organisations. This may include but is not limited to:

- outreach tutoring for students
- training programmes for educational staff and the wider community
- consultancy service to educational establishments and the wider community

- 11.20 Charges for consultancy services should be agreed by the EC/Trust – following the current Pay Policy. Training programmes and outreach services should be fully costed for income and expenditure to ensure that they are self-sustaining. They should be shown separately in the Cost Centre Structure under number 7..... There should be no burden on the grants provided to schools for the education of the students on roll
- 11.21 Provision of these services to schools within the organisation may be at a discounted rate to be agreed between the two sites
- 11.22 Contracts (agreements to provide services) with a value over £100,000 but under £500,000 over the life of the contract (which may be more than one year) must be approved by the Resources, Audit and Risk Committee. Contracts (agreements to provide services) with a value over £500,000 must be approved by the full Board of Trustees.
- 11.23 The Trust insurers must be consulted to ensure that the services to be provided are covered by our insurance policy

12.0 RISK MANAGEMENT

- 12.1 The Trust Board has overall responsibility for risk management and must not delegate overall responsibility to a committee. The trust board must maintain a risk register. The Headteacher/Head of School will support the Trust's risk management strategy by ensuring that they prepare a local risk register which is regularly maintained and submitted for monitoring to the Board. It should identify significant risks and the member of staff responsible for managing it. A copy should be forwarded to The Board on a termly basis.
- 12.2 Where risks arise that threaten the reputation of the Academy Trust or the financial viability of the academy, they should be notified to The Board immediately

13.0 LETTINGS POLICY

General

- 13.1 The Board recognises the position of the school in the local community and that encouragement should be given to the use of the school premises by outside organisations.

The Board wishes to take every possible care to ensure that all children / young people and others using the school premises out of school hours are safe from abuse and that they are treated with dignity and respect.

The letting of the school is the responsibility of the Headteacher/Head of School and the administration of the letting is the responsibility of the Estates Staff.

Application Form

- 13.2 All hirers will complete the appropriate lettings application form relevant to the individual academy. Long term hirers must complete a letting application form at least annually. Day to day approval of requests for hire will be the responsibility of the Headteacher/Head of School/FO who will sign the letting application form in the designated space, after -
 - a) Agreeing the scales of charges to be applied. Abatement of charges can only be made, subject to Trust approval.
 - b) Checking to ensure the application form has been properly signed by the hirer.

- c) Confirming if the hirer is affiliated to any national association that has its own child protection policy.
- d) Checking that the hirer has a child protection policy if not affiliated to a national association,
- e) Checking that a copy of the academy's own child protection policy and guidelines has been passed to the hirer where relevant and that the hirer has signed to confirm receipt and acceptance.
- f) Checking that appropriate insurances are in place
- g) Deciding if it is necessary to seek references for the hirer.

Bookings

- 13.3 All requests for hire will be logged in the school calendar by the relevant academy staff. Payment will be required upon receipt of an invoice generated by the Finance Officer. In other instances, it may be appropriate to require a deposit. All deposits will be banked immediately and should a refund of the deposit be subsequently required, then a refund will be issued.

Payments

- 13.4 The Finance Officer is responsible for ensuring that invoices are raised and issued.

14.0 LGG/EC MEMBERS' ALLOWANCES

- 14.1 The SEAX Board of Trustees has agreed that Trustees/Governors may claim reasonable expenses in line with HMRC limits. These must be authorised by the Chair of the Board or Chair of Resources and Audit Committee. Expenses for the Chair of the Board must be signed by the Chair of the Resources and Audit Committee. Details are set out in the Trustee and Governor Expenses policy.

SEAX Trust Registered Company Number 07747149

Registered Address Sawyers Hall Lane, Brentwood, Essex, CM15 9BZ