



Financial Regulations

Approved by the Board of Trustees on 21.10.2026

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Summary of Key Changes

Section	Summary of Change
2.2 Trustee Responsibilities	Financial knowledge for trustees requirements in ATH26
3.4 Financial Returns	New Financial Statement to be published on website by 31 January 2027
5.2 Inventory Management	New Values – increased to £500 from £250
5.3 Disposal of Assets	New Values
8.1 Frameworks Availability and Suitability	NEW ATH26 regarding consider procurement frameworks
8.2 Quotation Requirements	New Values and change to best value evidence requirements
8.4 Tenders	Reflects ATH26 consideration of Tenders
9.5 Contract Signing Authority	New designation on contract signing authorities
13.2 Business Continuity: Leadership Absence and Delegation Arrangements	DOPO to act in CEO absence (with CFO counter signature in £10k to £30k value range)
15 Bad Debts / Guarantees	New Values and reporting

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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SEAX Trust Financial Scheme of Delegation Authorisation & Approval Summary

Note values in red may not be changed – Department for Education specified

1.0 Introduction

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.

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).

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.

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.

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. Roles and Responsibilities

The Trust has defined the responsibilities of each person involved in the administration of trust finances to avoid the duplication or omission of functions and to provide a framework of accountability for trustees and staff.

The Trust will ensure that each person involved in the trust's financial leadership is not currently subject to a direction made under section 128 of the [Education and Skills Act 2008](#), which prohibits individuals from taking part in academy trust management, and that they do not appoint a person who is currently subject to a section 128 direction. This applies to Members, Trustees, Accounting Officer, CFO, Headteachers, deputy headteachers and finance leads.

2.1 The Members

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'.

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 academy trust will have at least 3 members but should have 5 or more.

The trust will provide the members with the trust's audited annual report and accounts.

2.2 The Trust Board of Trustees (The Board)

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.

NEW: It is the responsibility of Trustees that they maintain sufficient financial knowledge to discharge their statutory responsibilities and regularly review financial sustainability, going concern risks and key financial controls.

2.3 The Resources, Audit and Risk Committee ("RAR")

The Resources, Audit and Risk Committee ("RAR") 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 RAR Committee are detailed in the written terms of reference which have been authorised by the board and include the following:

- Oversee the effectiveness of the Trust's **financial, governance, risk management and internal control systems**.
- Review and monitor the Trust's **risk register** and the adequacy of arrangements for identifying, assessing and managing risk.
- Oversee the Trust's programme of **internal scrutiny**, including approval of the areas to be reviewed and consideration of findings and recommendations.
- Review reports from internal scrutiny and ensure that agreed management actions are implemented.
- Advise the Board on the appointment, reappointment, performance and effectiveness of internal scrutiny providers and external auditors.
- Consider the findings and recommendations arising from the **external audit** and monitor management's response.
- Review the Trust's annual financial statements and auditors' reports before recommendation to the Board.
- Report regularly to the Trust Board and Accounting Officer on matters relating to risk, control, governance and assurance.
- Provide the Board with assurance that the Trust is complying with the requirements of the Academy Trust Handbook and maintaining a robust framework of internal control.

The committee will have access to the external auditor as well as the internal scrutineers.

2.4 Accounting Officer

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 DFE, 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 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;
- **feasibility**: the proposal can be implemented accurately, sustainably, and to the intended timetable with the resources available and without incurring wasteful or nugatory spend
- **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.

The 3 aspects of value for money are:

- **economy:** reducing the cost of resources used for an activity, while maintaining quality
- **effectiveness:** achieving the intended outcomes or objectives
- **efficiency:** achieving maximum output for given inputs, or minimum inputs for a given output

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. 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.

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 DFE's accounting officer of the position in writing.

2.5 Chief Finance Officer

The Chief Financial Officer (CFO) works in close collaboration with the Chief Executive Officer, in their capacity as Accounting Officer, and is responsible through the Accounting Officer for the effective financial management of the Trust. The CFO also has direct access to the Board of Trustees through the Resources, Audit and Risk Committee.

The CFO provides both strategic and detailed financial leadership across the Trust, ensuring that Trustees, the Accounting Officer and executive leaders receive timely, accurate and robust financial advice to support decision-making and the long-term sustainability of the Trust. The CFO is responsible for overseeing the Trust's financial management, financial planning, control framework, financial reporting, risk management and regulatory compliance, ensuring that public funds are managed with propriety, regularity and value for money.

The CFO plays both a technical and leadership role, supporting the development of financial strategy whilst maintaining oversight of the detailed financial operations, systems, controls and procedures that underpin effective financial management. The CFO attends Resources, Audit and Risk ("RAR") Committee meetings and assists Trustees in discharging their responsibilities for financial oversight, governance and assurance.

The Trust Board must ensure that the CFO possesses appropriate financial qualifications, skills and experience commensurate with the size, complexity and risk profile of the Trust and fulfils the requirements set out in the Academy Trust Handbook.

2.6 Director of Finance and Procurement

The Director of Finance and Procurement (DFP) is responsible for leading the Trust's finance and procurement functions and for ensuring the effective implementation of the financial management, control and governance arrangements established by the CFO.

Working closely with the CFO, the DFP is the day-to-day operational lead for the Trust's finance and procurement functions. The DFP provides professional leadership to the finance function, ensuring that financial procedures, reporting processes, internal controls and procurement arrangements are implemented consistently and operate effectively across the Trust. The DFP oversees the delivery of finance and procurement services and supports academy leaders and budget holders in complying with the Trust's Financial Regulations, Scheme of Delegation and associated policies.

The DFP acts as the Trust's principal source of expertise on procurement compliance, providing advice and guidance on procurement legislation, approved frameworks, tendering requirements and value for money considerations. The DFP is responsible for overseeing procurement practices across the Trust and promoting compliance with the Trust's procurement requirements.

For the Trust's central operations, the DFP fulfils the responsibilities of the Finance Officer and is responsible for ensuring that central financial processes are administered in accordance with these Regulations and the Trust's financial procedures.

The DFP supports the CFO in maintaining effective financial governance, assurance and internal control arrangements. Whilst the CFO retains responsibility for the strategic and detailed leadership, stewardship and oversight of the Trust's financial affairs, the DFP is responsible for the operational leadership and day-to-day management of the Trust's finance and procurement functions, ensuring that the Trust's financial and procurement policies, procedures and controls are implemented and operated effectively.

2.7 Headteacher

The Headteacher is responsible for the day-to-day management of their academy and the effective stewardship of the resources delegated to them. Working within the Trust's Financial Regulations, Scheme of Delegation and associated policies, the Headteacher ensures that expenditure is incurred within approved budgets and delegated authority, achieves value for money, supports the educational objectives of the academy, and complies with all relevant financial and procurement requirements.

The Headteacher provides operational leadership for financial management within the academy, maintaining effective financial controls, safeguarding Trust assets, managing financial risks, monitoring income and expenditure, and ensuring the accuracy and completeness of financial records. The Headteacher is also responsible for ensuring that

staff with delegated financial responsibilities understand and comply with the requirements of these Regulations and the Trust's financial procedures.

While responsibility for the day-to-day financial management of the academy is delegated to the Headteacher, overall accountability for the stewardship of Trust funds remains with the Chief Executive Officer, as Accounting Officer, and the Board of Trustees.

References in these Regulations to the Headteacher shall include the Deputy Headteacher when formally acting in the Headteacher's absence. Any permanent delegation of financial responsibilities by a Headteacher must be authorised by the Chief Executive Officer, documented in writing, and reflected in the Trust's financial procedures and delegated authorities.

2.8 Finance Officer

For the purposes of these Regulations, the term Finance Officer (FO) refers to the individual responsible for supporting the day-to-day financial administration and operation of an academy.

Each academy should have access to a suitably skilled and experienced FO, either through direct employment or through services provided by the Trust's central finance team. The FO supports the Headteacher and senior leaders in the effective management of academy finances and the proper stewardship of Trust resources.

The FO is responsible for the administration of financial processes within the academy, ensuring that transactions are processed accurately, promptly and in accordance with the Trust's Financial Regulations, financial procedures, Scheme of Delegation and associated policies. This includes maintaining financial records, supporting budget monitoring, processing orders and invoices, administering income collection processes, and ensuring that appropriate financial documentation and audit trails are retained.

The FO works closely with the Headteacher, academy leadership team and central finance function to support effective financial management and reporting. The FO is responsible for identifying and escalating actual or potential financial control issues, non-compliance, risks or irregularities to the Headteacher and, where appropriate, the Trust's finance team.

Whilst the FO has responsibility for the day-to-day administration of financial processes, accountability for financial decisions, budget management and compliance with these Regulations remains with the Headteacher and those holding delegated authority under the Trust's Scheme of Delegation.

2.9 The Governance Professional (Clerk to the Board)

The Trust shall appoint a suitably qualified and experienced Governance Professional who is independent of the roles of Trustee, Chief Executive Officer and Headteacher. The Governance Professional is responsible for supporting the effective operation of the Trust's governance arrangements and ensuring that the Board of Trustees and its committees can discharge their responsibilities effectively.

The Governance Professional acts as a source of advice and guidance on governance, constitutional and procedural matters, supporting the Board and its committees in complying with legal, regulatory and governance requirements. They are responsible for ensuring that meetings are conducted in accordance with the Trust's governance framework, that accurate records of proceedings and decisions are maintained, and that appropriate follow-up actions are monitored and reported.

The Governance Professional supports the Board in maintaining high standards of governance, accountability and transparency, including the management of governance records, declarations of interest, trustee appointments and terms of office, and compliance with relevant requirements of the Academy Trust Handbook, funding agreements and company and charity law.

Whilst the Governance Professional provides advice and administrative support to the Board and its committees, responsibility for governance and decision-making remains with the Board of Trustees and those exercising delegated authority on its behalf.

2.10 Banking Authorisers

Responsibilities detailed under Banking Arrangements Section.

2.11 All Employees

Whilst the Accounting Officer has personal responsibility for ensuring the regularity, propriety, feasibility and value for money of the Trust's activities, all employees share responsibility for supporting the effective stewardship of public funds and resources.

All staff must act with integrity, honesty and objectivity in the performance of their duties and comply with the Trust's Financial Regulations, policies, procedures and internal controls. Employees are expected to:

- use Trust resources economically, efficiently and effectively,
- seek value for money in all activities,
- safeguard Trust assets,
- identify and report financial risks or irregularities,
- and declare any actual or perceived conflicts of interest in accordance with Trust requirements.

All staff involved in financial decision-making, procurement, budget management, ordering, authorisation, income collection or other financial processes must ensure that their actions are within their delegated authority and comply with the Trust's Scheme of Delegation and procurement requirements.

Employees with financial management responsibilities or delegated spending authority, including Headteachers, Deputy Headteachers, School Business Managers, Finance Officers, budget holders and other authorised staff, must familiarise themselves with these Financial Regulations and review them annually. Such employees are responsible for ensuring that the requirements of these Regulations are consistently applied within their area of responsibility.

3. Financial Governance, Internal Control & Assurance

3.1 Budget Planning / Setting

The school's overall budget plans (both one year annual and multiyear forward financial plans) will be prepared by the Headteacher/Head of School, Finance Officers (DFP for central function) and CFO in consultation with the CEO.

The budget will be prepared having regard to all **known and anticipated** needs of the school including the School Improvement / Development Plan and the Asset Management Plan. It is the responsibility of the CFO to ensure that all the required budgeting paperwork is submitted to The Board in accordance with the published timetable and to ensure that all relevant information is taken into account during the budget-setting process and that the budget reflects the Trust's educational and operational objectives.

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.

The 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.

The school budget will be submitted to The Board for final approval.

A copy of the approved budget plan shall be retained within the Trust's financial records and the approval recorded within the RAR minutes.

3.2 Budget Monitoring

The CFO 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.

The CFO 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.

The CFO will prepare medium term financial forecasts and present them to the board termly.

3.3 Resource Management

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 DfE 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.

3.4 Financial Returns

The CFO will be responsible for preparing all the financial returns required by the Department for Education. All returns will be completed in the required timescales.

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.

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 Department for Education by the required deadlines. Details of the financial information required are as set out in the latest **Accounts Direction** for the year being reported.

In addition to submitting accounts to the Department for Education, 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.

The DfE require the Academy to publish its Annual Accounts and Annual Report by 31st January. This will be done via the academy trust's website.

The Trust's audited accounts must be provided to the members.

NEW: The Trust shall publish a Trust Financial Summary Statement on its website no later than 31 January each year alongside the annual audited financial statements.

3.5 NEW 2026: Trust Financial Summary Statement

The Trust shall publish a Trust Financial Summary Statement, in accordance with the Academy Trust Handbook and applicable transparency requirements, explaining how funding is distributed between constituent academies and central services.

The statement will set out the Trust's funding allocation methodology, including reserves pooling, central recharge arrangements, together with academy-level income and expenditure information.

The Chief Financial Officer (CFO) shall be responsible for ensuring the publication of the Trust Financial Summary Statement and any supporting disclosures within the required timescales.

The published information shall include, where applicable:

- The Trust's approach to GAG pooling.
- Arrangements for pooling and managing reserves.
- Central recharge, top-slice and other central funding arrangements.
- The method used to allocate funding between academies and central services.
- The funding of central services and the percentage charged to academies where applicable.
- Income and expenditure information for individual academies and the Trust as a whole.
- Any other information required under the Academy Trust Handbook.

3.6 Funding Reconciliation

The Resources, Audit and Risk Committee ("RAR") will ensure that information submitted to the DfE that affects funding is accurate and complete.

The Board of Trustees will challenge pupil number projections and review these termly.

The CFO 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 **DfE** and other government agencies.

This reconciliation should be completed on a monthly basis and reviewed by the Accounting Officer.

3.7 Internal Scrutiny

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.

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 CFO 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.

The Resources, Audit and Risk Committee ("RAR") 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.

The Trust Board must submit to the DFE an annual summary of the internal scrutiny work that has been completed which includes areas reviewed, key findings, recommendations and conclusions by 31st December.

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 CFO will be required to ensure that up to date and accurate accounts are available and that year end processes are followed. The CFO, 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.

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.

3.8 Separation of duties

The **CEO (Accounting Officer)** and **CFO** are responsible for ensuring that appropriate segregation of duties operates throughout the Trust. The **Director of Finance and Procurement** is responsible for the operational implementation and monitoring of these controls across the Trust's finance and procurement functions.

Headteachers and Heads of School must ensure these controls are implemented and maintained within their areas of responsibility.

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 bank payments and bank 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.

3.9 Fraud, theft, irregularity and cybercrime

The Trust is aware of the risk of fraud, theft and irregularity and addresses it by putting in place proportionate controls. The Trust will take appropriate action where fraud, theft or irregularity is suspected or identified.

The board of trustees will [notify DfE](#) as soon as possible of all instances of fraud, theft or irregularity exceeding £5,000 individually, or £5,000 cumulatively in any financial year.

Unusual fraud, regardless of value, **will also** be reported. The following information is required:

- full details of the events with dates
- the financial value of the loss
- measures taken to prevent recurrence
- whether it was referred to the police (and if not why)
- whether insurance or the RPA have offset any loss.

The Trust is also aware of the risk of cybercrime, putting in place proportionate controls and will take appropriate action where a cyber security incident has occurred.

The Trust **will not** pay any ransom or extortion demands, including cyber ransomware.

4. Accounting Arrangements

4.1 Accounting System

All financial transactions of the Trust must be recorded promptly, accurately and completely in the Trust's approved accounting system and in accordance with the Trust's accounting policies, financial procedures and statutory reporting requirements. All transactions entered into the accounting system must be supported by appropriate documentation and authorised in accordance with these Financial Regulations and the Trust's Scheme of Delegation.

Access to the accounting system shall be restricted through secure authentication arrangements, including individual user accounts and password controls. Users must not share login credentials or permit unauthorised access to Trust systems.

Access rights within the accounting system shall be granted according to role, delegated authority and business need. The CFO is responsible for approving and overseeing the Trust's user access control framework to ensure appropriate segregation of duties, financial control and system security. The Director of Finance and Procurement is responsible for the administration, implementation and periodic review of user access permissions, ensuring that access levels remain appropriate to individuals' responsibilities and that any changes arising from role amendments, new starters or leavers are actioned promptly.

The CFO is responsible for ensuring that the Trust maintains appropriate financial systems capable of supporting effective financial management, reporting, governance and internal control. The Director of Finance and Procurement is responsible for the day-to-day administration, operation and maintenance of the accounting system and associated financial procedures.

The Trust shall maintain a standard chart of accounts that must be used across all academies to ensure consistency of financial recording, monitoring and reporting. Requests for new ledger codes or amendments to the chart of accounts must be approved by the Director of Finance and Procurement or their nominated representative in accordance with Trust procedures. Academies may establish local cost centres, where approved, to support internal budget management and monitoring requirements.

The CFO is responsible for ensuring that appropriate arrangements are in place for the security, backup and recovery of financial data and accounting records. The Director of Finance and Procurement is responsible for implementing and monitoring these arrangements and for reporting any system, security or data integrity concerns to the CFO.

4.2 Balance Sheet Reconciliations and Financial Review

The Finance Officer is responsible for ensuring that all key balance sheet accounts are reviewed and reconciled on a monthly basis and that the Trust's accounting records remain accurate, complete and supported by appropriate evidence.

This includes, where applicable:

- Debtor control accounts
- Creditor control accounts

- Payroll control accounts
- Accruals and prepayments
- VAT control accounts
- Suspense accounts
- Intercompany balances
- Fixed asset accounts
- Bank accounts
- Any other material balance sheet accounts

The Finance Officer is also responsible for reviewing income and expenditure transactions, including the reconciliation of funding income, to ensure that transactions have been recorded accurately, completely and in accordance with the Trust's accounting policies and financial procedures.

Reconciliations shall be completed promptly following each month end and retained as part of the Trust's financial records.

Any material discrepancies, unusual transactions, aged reconciling items or control concerns must be investigated and reported to the Director of Finance and Procurement without delay.

The CFO shall ensure that appropriate review procedures are in place to provide assurance over the completeness and accuracy of month-end financial reporting.

4.3 VAT

Finance Officers are responsible for the accurate recording and processing of VAT transactions.

The DFP is responsible for preparing and submitting the Trust's consolidated VAT return and ensuring that VAT control accounts are fully reconciled and reviewed to support the return. The Chief Financial Officer retains overall responsibility for oversight of VAT compliance and the effectiveness of related controls.

5. Fixed Assets and Inventory

The Trust has a responsibility to safeguard its assets and resources, ensuring that public funds are protected and used solely to support the Trust's educational objectives. Robust arrangements for the acquisition, recording, management and disposal of fixed assets and inventory are essential to maintain accountability, prevent loss or misuse, support financial reporting, and demonstrate effective stewardship and value for money.

5.1 Fixed Assets

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 £5,000**) 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.

5.2 Inventory Management (NEW VALUES)

The Trust shall maintain accurate and up-to-date inventory records to support the safeguarding of assets, provide evidence for insurance purposes, maintain accountability for Trust property, and assist in the effective management and replacement of equipment.

All portable and attractive assets should be appropriately security marked where practicable. Where an invisible form of asset marking is used, a visible indication should be displayed to deter theft and support asset recovery.

An inventory register shall be maintained for:

- all non-capital assets with an acquisition cost of **£500 or more**; and
- all attractive and portable items with an acquisition cost of **£250 or more**, including laptops, tablets, mobile phones, audiovisual equipment and other items considered susceptible to loss, theft or misuse; and
- any other assets that the Headteacher, CFO or Director of Finance and Procurement considers appropriate to record for insurance, security or asset management purposes.

Assets that are hired, leased or otherwise under the Trust's control and meet the above criteria shall also be recorded and clearly identified within the inventory register.

The inventory register shall contain sufficient information to identify and locate each asset and shall, as a minimum, include:

- asset description;
- asset reference number and/or serial number (where applicable);
- acquisition date;
- acquisition cost;
- asset location;
- details of any security marking applied;
- date of the last physical verification; and
- disposal date and method of disposal (where applicable).

The **Finance Officer** is responsible for maintaining the inventory register and ensuring that additions, disposals, transfers and other amendments are recorded promptly and accurately. For central Trust operations, this responsibility rests with the Director of Finance and Procurement.

Headteachers are responsible for ensuring that inventory records within their academy are maintained appropriately, that Trust assets are safeguarded, and that a physical verification of inventory items is undertaken at least annually. Any discrepancies, losses, thefts, damage or unexplained variances identified during inventory checks must be investigated and reported to the Director of Finance and Procurement.

The **Director of Finance and Procurement** is responsible for overseeing inventory management arrangements across the Trust, monitoring compliance with these requirements and reporting any significant issues or losses to the CFO.

Evidence of annual inventory verification shall be retained for a minimum of 24 months to provide an audit trail of checks undertaken and any amendments made to inventory records.

All additions, disposals, write-offs and amendments to inventory records must be supported by appropriate documentation and authorised in accordance with these Financial Regulations. The inventory register shall be updated promptly to reflect any approved changes.

Where Trust assets are removed from a Trust site, an Off-Site Asset Register shall be maintained. This shall record assets loaned or assigned to staff, pupils or other authorised users and shall be reviewed as part of the annual inventory verification process.

5.3 Disposals of assets (NEW VALUES)

The approval level for the disposal or write-off of fixed assets shall be determined by **the higher of the asset's net book value** recorded in the Trust's accounting records **or its estimated market value**.

Asset disposals and write-offs may be approved as follows:

Up to and including £500	Headteacher, subject to review by the CFO or Director of Finance and Procurement
Up to and including £5,000	Chief Executive Officer
Above £5,000	Board of Trustees.

All disposals and write-offs shall be recorded in the Trust's asset disposal register.

The CFO shall provide an update on the register to each meeting of the Resources, Audit and Risk Committee, including confirmation where no disposals have occurred since the previous meeting.

All disposals and write-offs must be:

- supported by appropriate documentation,
- represent value for money,
- and comply with any relevant funding agreement, regulatory or legal requirements.

Details of all disposals and write-offs must be recorded in the Trust's inventory records and fixed asset register, together with the reason for disposal, approval obtained and method of disposal.

5.4 Acquisition and disposal of fixed assets

Except for land, buildings and heritage assets, the Trust may dispose of fixed assets without prior approval from the Department for Education (DfE), provided that the disposal achieves the best price that can reasonably be obtained and is conducted in accordance with the principles of regularity, propriety and value for money. All disposals must comply with the Trust's Scheme of Delegation and be appropriately documented and recorded.

6. Banking Arrangements

Effective banking arrangements are a key component of the Trust's financial control framework. The Trust must maintain secure and robust banking arrangements to safeguard public funds, support the effective management of cash resources, facilitate the efficient operation of financial activities, and protect the Trust from fraud, error and unauthorised transactions.

The Board of Trustees is responsible for determining the Trust's banking arrangements and approving the appointment of banking service providers. The CFO is responsible for overseeing the Trust's banking and treasury management arrangements, whilst the Director of Finance and Procurement is responsible for the day-to-day administration and operation of the Trust's banking processes and controls.

All Trust banking activities must comply with these Financial Regulations, the Scheme of Delegation and the Trust's Investment Management Policy, and must promote the principles of regularity, propriety, value for money and effective stewardship of public funds.

All funds received on behalf of the Trust must be banked promptly and all payments must be made through approved banking arrangements and authorised in accordance with the controls set out in this section.

The Trust shall manage its banking and cash resources to safeguard public funds and optimise investment returns on surplus balances, whilst ensuring that funds remain available to meet operational requirements. Any investment or deposit arrangements must comply with the Trust's Investment Management Policy and prioritise security and liquidity before yield.

6.1 Bank Signatories and Bank Mandates

The Trust's delegated financial approval limits and authorised signatories are set out in these Financial Regulations and the Scheme of Delegation. These define who can approve expenditure and enter into financial commitments on behalf of the Trust.

Separate banking authorities are established through the Trust's bank mandates. These specify who may operate bank accounts, access online banking, create or amend payment instructions, and carry out other banking activities. As a result, the individuals authorised by the bank may differ from those authorised to approve expenditure under these Regulations.

Authority to operate a bank account does not give authority to approve expenditure, enter into contracts, or exceed the approval limits set out in these Financial Regulations. Likewise, an individual authorised to approve expenditure may not be authorised to operate the Trust's bank accounts.

All payments must comply with both the delegated approval requirements in these Financial Regulations and the banking authorities set out in the relevant bank mandate.

The DFP is responsible for ensuring that Lloyds Commercial Banking mandates and online banking permissions are maintained, reviewed regularly and kept consistent with approved appointments, leavers, changes in role and the requirements of these Financial Regulations. The CFO will retain oversight.

6.2 Banking Operations

Banking operation mandates are categorised between three categories.

Category A signatories (Full Powers)	SEAX Trust Chair of the Board
Category B signatories (Full Powers)	Accounting Officer Chief Financial Officer Director of Finance & Procurement
Category C signatories (Limited Powers)	Academy Headteachers/Heads of School

Banking Delegated Authority Actions:

A) Non – payment actions (opening accounts and changing accesses)

Can be actioned by two signatories in either of:	The Chair of Trustees and any one from Category B
	OR Any two from Category B

B) Direct Debit or Standing Order

The approval level for a Direct Debit or Standing Order shall be determined by the total value of the contractual commitment, including all payments due over the contract term and any agreed extension periods.

Where the total value cannot be determined in advance, approval shall be based on the estimated annual value of the commitment.

Appropriate approval must be obtained before the Direct Debit or Standing Order is established and retained in accordance with the Trust's document retention requirements. Any material variation to the value or term of the arrangement shall require re-approval in line with the Trust's delegated authority limits.

Payment arrangements must be authorised by two of the following authorised signatories and retained on file for reference in accordance with the payment

Up to £10,000	Any one from Category C plus any one from Category A or B
Up to and including £50,000	Any two from Category B or any one from either Category A plus any one from Category B

Above £50,000	Any two from Category B plus Chair of Trustees or Any three from Category B
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6.3 Bank Balance

RAR must ensure that the academy accounts never become overdrawn. Any concerns regarding cash flow should be reported to the CFO.

6.4 Bank Reconciliations

The DFP is responsible for carrying out monthly bank statement reconciliations for all bank accounts within two weeks of month end. All discrepancies are to be investigated immediately and reported to the CFO and CEO and, if appropriate, the bank.

Any un-reconciled payments older than six months, and unreconciled receipts older than one month, must be investigated and appropriate action taken.

6.5 Supplier Bank Details

On initial supplier set up The Finance Officer will contact the supplier for written confirmation of their bank details using the SEAX Trust New Supplier 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 CFO 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.

Payment advices are to be sent to each supplier.

The Director of Finance and Procurement must be provided with a list of Direct Debit suppliers and a payment timetable.

6.6 Card Payment Facilities

Where the Trust operates card payment facilities or merchant service terminals, these must be managed securely and in accordance with the provider's terms and conditions.

Card payment terminals and associated devices must be stored securely when not in use, with access

restricted to authorised staff. Appropriate arrangements must be in place to prevent loss, theft, misuse or unauthorised transactions.

Transaction reports must be reviewed and reconciled regularly to the Trust's accounting records and bank receipts. The Finance Officer is responsible for ensuring that card payment income, merchant charges and associated accounting entries are recorded accurately and promptly within the Trust's financial system.

Any discrepancies identified between card payment records, accounting records or amounts received into the Trust's bank account must be investigated promptly and reported to the Director of Finance and Procurement.

Appropriate records of reconciliations and reviews must be retained to provide a clear audit trail.

6.7 Payment Authorisers

The Trust operates its banking arrangements through Lloyds Commercial Banking. Individuals authorised under the Trust's bank mandate may undertake banking activities within the permissions assigned to them, including the approval and release of payments, management of payees, administration of Direct Debits and Standing Orders, and other banking functions.

Banking authorities are separate from the Trust's delegated expenditure approval authorities. Authority to operate the Trust's bank accounts does not give authority to approve expenditure, enter into contracts, or commit the Trust to financial obligations. Equally, individuals authorised to approve expenditure may not be authorised to release payments through the banking system.

Individuals authorised under the Trust's bank mandate act as Payment Authorisers.

Their role is to provide an independent check before Trust funds are released and to ensure that payments have been properly approved and processed in accordance with these Financial Regulations.

Before authorising a payment, the Payment Authoriser must satisfy themselves that:

- the payment relates to a legitimate Trust purpose;
- the expenditure has been approved in accordance with the Trust's Scheme of Delegation and Financial Regulations;
- appropriate supporting documentation is available;
- the payment amount appears reasonable, accurate and consistent with the supporting documentation;
- the payee details and bank account information appear appropriate for the transaction; and
- there is no reason to suspect fraud, error, irregularity or non-compliance.

By authorising a transaction within the banking platform, the Payment Authoriser confirms their approval for the release of funds from the Trust's bank account and their satisfaction that the above checks have been completed.

Payment Authorisers are expected to exercise reasonable professional judgement and challenge, reject or escalate any transaction that appears unusual, unsupported, outside delegated authority, inconsistent with Trust procedures, or gives rise to concerns regarding propriety, regularity, fraud or value for money.

The authorisation of a payment through the banking system is a banking control and does not replace the requirement for expenditure to be approved in accordance with the Trust's Financial Regulations and Scheme of Delegation.

Banking Authorisers are expected to:

- exercise reasonable professional judgement
- and challenge any transaction that appears inconsistent with Trust procedures, lacks adequate supporting evidence or gives rise to concerns regarding propriety, regularity or fraud.

Payment Authoriser Groups

Banking Authorisers are grouped according to their role and level of authority within the Trust. The Group classifications and associated approval limits determine the number and level of authorisations required before a payment or banking transaction can be released through the Trust's banking platform.

The payment authorisation limits set out below apply solely to the release of funds from the Trust's bank accounts and operate as a banking control. They do not replace or override the expenditure approval requirements set out elsewhere in these Financial Regulations or the Scheme of Delegation.

All payments must be appropriately approved in accordance with the Trust's delegated financial authorities before being released through the banking system. Banking Authorisers must satisfy themselves that the required approvals have been obtained and that the transaction complies with the Trust's Financial Regulations, Scheme of Delegation and internal control requirements.

Group 1	Chair of Trustees CEO
Group 2	CFO Director of Finance & Procurement Headteachers Deputy Headteachers

Authority Limits

Payments £50,000 and above	Two approvers with at least one approver from Group 1
Payments under £50,000	Two approvers from Group 1 or 2

7. Income

The Trust shall maintain effective arrangements for the identification, collection, recording, safeguarding, banking and reconciliation of all income due. All income received must be accounted for promptly, accurately and completely to ensure the proper stewardship of public funds and the maintenance of reliable financial records.

The CFO is responsible for ensuring that appropriate controls and procedures are in place for the management of income across the Trust. The Director of Finance and Procurement is responsible for overseeing the operation of income management arrangements and monitoring compliance with these Financial Regulations. Finance Officers and other authorised staff are responsible for administering income collection processes and maintaining appropriate records within their areas of responsibility.

7.1 Cashless Operations

The Trust operates a cashless environment wherever practicable. Payments from parents, carers, staff, hirers and other third parties should be made through approved electronic payment systems or by bank transfer.

Cash and cheque payments should only be accepted in exceptional circumstances and with the approval of the Headteacher or CEO, as appropriate.

7.2 Recording Income

All income received, regardless of source or payment method, must be recorded promptly and accurately within approved collection and financial systems.

Income records must provide a complete audit trail and should include, as appropriate:

- amount received;
- date received;
- payer details;
- purpose of the payment;
- method of payment; and
- relevant transaction, receipt or reference number.

Where electronic payment systems are used, the system transaction record shall form part of the audit trail.

7.3 Receipts and Audit Trail

An appropriate audit trail must exist for all income received.

Where payments are made through approved electronic payment systems, the electronic transaction record shall constitute evidence of receipt.

Where cash or cheque payments are accepted, an official receipt should be issued where no alternative supporting documentation exists or where requested by the payer.

Any receipt books used must be pre-numbered, securely controlled and retained in accordance with the Trust's document retention requirements.

7.4 Safeguarding and Banking of Income

All income received must be safeguarded appropriately until banked. Access to cash, cheques and income records shall be restricted to authorised personnel.

Cash holdings must be kept to a minimum and must not exceed the limits covered by the Trust's insurance arrangements. Where events are expected to generate significant cash income, appropriate arrangements must be put in place to safeguard funds and ensure prompt banking.

Personal cheques must not be cashed from Trust funds.

All monies collected must be banked promptly, intact and in full. Income must not be used to make payments, cash refunds or reimburse expenditure prior to banking.

As the Trust operates primarily through electronic payment methods, cash and cheque income should normally be banked at least monthly, or more frequently where income levels, insurance limits or operational risks require.

Appropriate banking records and supporting documentation must be retained for audit purposes.

7.5 Reconciliation

Income records must be reconciled at least monthly to banking records, bank statements and the Trust's accounting system.

The Finance Officer is responsible for undertaking income reconciliations for their academy. For central Trust operations, this responsibility rests with the Director of Finance and Procurement.

Any discrepancies, unreconciled items or variances must be investigated promptly and resolved without delay. Significant or unusual discrepancies must be reported to the Director of Finance and Procurement and, where appropriate, the CFO.

Evidence of reconciliations and review must be retained to provide a clear audit trail.

7.6 Catering Income

Appropriate records must be maintained for catering income, including records of meals provided and income received. Monthly reconciliations should be undertaken between catering transactions, income collected and amounts recorded within the Trust's financial systems.

Any discrepancies identified must be investigated promptly and resolved in accordance with the Trust's financial procedures.

7.7 Income Generation and Trading Activities

The Trust may generate income through activities consistent with its charitable objectives, including educational services, consultancy, outreach activities, training programmes, lettings and other approved activities.

All income-generating activities must:

- be appropriately authorised;
- be fully costed and financially sustainable;
- represent value for money;

- comply with the Trust's charitable objects and funding agreement requirements; and
- not create an inappropriate financial burden on funds provided for the education of pupils.

The Trust shall ensure that income-generating activities are consistent with its charitable objectives. Where non-primary purpose trading activities are undertaken, the CFO shall monitor activity levels and obtain appropriate advice where income approaches the limits of the charitable small trading exemption.

Trusts with annual income exceeding £320,000 may undertake non-primary purpose trading activities with turnover of up to £80,000 before the exemption limit is exceeded.

Where services are provided to external organisations, appropriate contractual arrangements must be in place and relevant financial, legal, operational and reputational risks must be considered before any commitment is made.

The Trust's insurers must be consulted where necessary to ensure that activities undertaken are covered by appropriate insurance arrangements.

Contracts for the provision of services shall be approved in accordance with the Trust's delegated authority limits.

8.0 Procurement and Sourcing

The Trust is committed to securing the best possible value from all expenditure. In accordance with the Academy Trust Handbook, all procurement decisions must demonstrate value for money through the efficient, effective and economic ("Three Es") use of resources.

The Trust will consider relevant DfE buying opportunities, approved frameworks and other compliant procurement routes when undertaking procurement activity. Procurement processes will be applied proportionately, balancing effective governance and compliance requirements with the value, complexity and risk of the procurement. Procurement records must demonstrate the route selected, value for money considerations and the rationale for the purchasing decision.

Procurement records should include:

- options appraisal;
- value-for-money assessment; and
- the rationale for the selected procurement route, including reasons where an approved framework is not used.

In assessing value for money, consideration should be given not only to price, but also to quality, service, whole-life cost, risk, sustainability and wider social value.

8.1 NEW: Frameworks Availability and Suitability

The Director of Finance and Procurement is responsible for monitoring relevant DfE buying opportunities, procurement frameworks and sector best practice, and for supporting the implementation of agreed improvements across the Trust.

Where the Department for Education specifies a mandatory buying arrangement, the Trust must comply with that requirement unless an alternative approach is expressly permitted.

The use of a framework agreement does not remove the requirement to obtain the appropriate approvals required by these Financial Regulations and the Scheme of Delegation.

8.2 NEW: Mandatory DfE Procurement and System Requirements

In accordance with the Academy Trust Handbook and Department for Education requirements, the Trust shall utilise mandatory national arrangements where specified by the DfE. This includes participation in approved arrangements for the procurement of supply staffing services and energy contracts through designated DfE frameworks or approved procurement routes. The Trust shall also comply with any DfE requirements regarding the adoption and implementation of approved Management Information Systems (MIS), including participation in the DfE's MIS transition framework where applicable. The Director of Finance and Procurement shall maintain oversight of compliance with these requirements, ensure that procurement decisions reflect current DfE guidance, and report any significant implementation or compliance issues to the CFO and Board.

8.3 NEW: Quotation Requirements

To support a proportionate approach to procurement and ensure value for money and compliance with the Trust's procurement requirements, the following quotation thresholds apply to all purchases of goods, services and works.

Total Contract / Purchase Value	Procurement Requirement
Up to £1,000	Obtain and retain evidence of value for money, such as a quotation, price comparison, catalogue price or framework pricing.
From £1,000 to £5,000	Use a compliant DfE procurement framework where possible otherwise obtain a minimum of one written quotation, price comparison or other evidence of value for money
Above £5,000 to £10,000	Use a compliant DfE procurement framework where possible otherwise obtain a minimum of two written quotations, price comparisons or other evidence of value for money
Above £10,000 and under £50,000	Use a compliant DfE procurement framework where possible; otherwise obtain a minimum of three written comparable quotations

In accordance with agreed procurement standards, approval of contracts £50,000 and above will only be made after following an appropriate DfE Framework or the tendering procedure. The Board will oversee all tendering processes on behalf of the trust.

Where fewer quotations than stated above are obtained, the reasons must be documented and approved by the Director of Finance and Procurement or CFO.

8.4 Acceptance of a Quote Other Than the Lowest

The Trust is not required to accept the lowest quotation if there is a clear and justifiable reason for selecting an alternative supplier.

Where this occurs, the reasons for the decision must be documented prior to approval.

The justification must demonstrate that the selected supplier offers the best overall value for money, taking into account factors such as quality, service, technical capability, whole-life cost, risk, sustainability, social value and the overall benefit to the Trust.

The rationale for the decision must be recorded and retained with the procurement documentation for audit purposes.

8.5 NEW: Tenders

Contracts with a total value **£50,000 and above** shall normally be procured through a formal tender process or an appropriate compliant framework agreement, unless an alternative compliant procurement route is permitted.

Where specialist or complex procurements are undertaken, the Trust may engage suitably qualified advisers, such as consultants, architects, surveyors or procurement specialists, to support the procurement process. Responsibility for compliance with these Financial Regulations and applicable procurement requirements remains with the Trust.

Before commencing a tender process, the Trust shall define:

- the scope and specification of the requirement;
- the evaluation criteria;
- the budget and approval requirements; and
- the contractual arrangements to be entered into.

A minimum of two individuals shall participate in the evaluation of tenders. All participants must declare any actual, potential or perceived conflicts of interest and withdraw from the process where appropriate.

Tenders shall be evaluated on the basis of the most advantageous overall proposal, taking account of factors including:

- price and whole-life cost;
- quality and suitability;
- technical capability and experience;
- service and support;
- risk; and
- sustainability and wider value-for-money considerations.

The Trust is not required to accept the lowest-priced tender where an alternative submission provides better overall value for money. The reasons for the decision must be documented and approved in accordance with the Scheme of Delegation.

Where fewer submissions are received than anticipated, consideration should be given to whether sufficient competition has been achieved. Any decision to proceed must be appropriately documented.

Tender documentation, evaluation records, approvals and contract documentation must be retained in accordance with the Trust's records retention requirements.

8.6 Online Purchasing and E-Procurement

The Trust permits the use of online purchasing and electronic procurement platforms where they support operational efficiency and deliver value for money. All online purchases are subject to the same financial regulations, procurement requirements, approval limits and internal controls that apply to all other purchasing activity.

Prior to committing Trust funds, purchases must be approved in accordance with the Scheme of Delegation and supported by an approved purchase order where required by Trust procedures.

Staff undertaking online purchasing must ensure that:

- the purchase is wholly for Trust business purposes and does not include any personal expenditure, benefit or private use
- appropriate consideration has been given to value for money;

- the supplier is reputable and the transaction is undertaken through a secure purchasing platform;
- purchases comply with the Trust's procurement and tendering requirements;
- conflicts of interest are declared and managed in accordance with Trust policies; and
- a complete audit trail is maintained for each transaction.

Goods and services purchased online must be delivered to a Trust location unless alternative arrangements have been approved in advance by an authorised senior leader.

Payments should be made using approved Trust purchasing and payment methods. Personal purchasing accounts, credit cards, debit cards or payment platforms must not normally be used for Trust expenditure. In exceptional circumstances, where prior approval has been obtained and no alternative payment method is available, reimbursement may be made upon production of appropriate supporting documentation and evidence that Trust procedures have been followed.

Supporting documentation, including purchase orders, invoices, receipts, delivery confirmations and payment records, must be retained in accordance with the Trust's records management and document retention requirements.

8.7 Corporate Payment Cards

The Trust may issue corporate payment cards to authorised employees where there is a legitimate business need. All card expenditure must comply with the Trust's Financial Regulations, procurement procedures, approval limits and Scheme of Delegation.

Cards must be used solely for Trust business purposes and never for personal expenditure. Cardholders are responsible for safeguarding cards and card details and ensuring that expenditure represents value for money.

Supporting documentation, including receipts and invoices, must be retained for all transactions. Card expenditure must be reviewed and reconciled regularly, with monthly statements independently reviewed and authorised. Expenditure incurred by the CEO must be reviewed by the Chair of the Trust Board or another appropriately authorised Trustee.

Any suspected misuse, fraud or irregularity must be reported immediately in accordance with the Trust's Fraud and Whistleblowing Policies.

8.8 Petty cash

The Trust is a cashless trust but may operate a small petty cash system with prior approval from the CFO.

The Trust may operate a petty cash system for minor items of expenditure. The maximum petty cash balance held at any academy shall be approved by the Resources, Audit and Risk Committee and must not exceed **£400**.

Individual petty cash purchases should not normally exceed **£25**, nor **£40 per week per individual**, unless specifically authorised by the Headteacher/Head of School.

All petty cash expenditure must be authorised in advance and supported by an original receipt. Petty cash purchases made by the Headteacher/Head of School must be authorised by the CEO.

Petty cash shall be held securely, recorded promptly on the finance system and reconciled regularly. The Finance Officer is responsible for maintaining the petty cash records and preparing termly reconciliations, which shall be reviewed and approved by the Headteacher/Head of School.

The total cash held must not exceed the Trust's approved petty cash limit or any applicable insurance limits.

9. Delegated Financial Authority

All expenditure must represent value for money and comply with these Financial Regulations, delegated authority limits and applicable legal and regulatory requirements.

9.1 Determining contract values

The approval route and procurement thresholds shall be determined by the total value of the proposed expenditure commitment, as set out below.

Where a contract extends beyond one financial year, the approval limits and procurement thresholds shall apply to the **total estimated value of the contract over its full term**, including any extension options, and not to the annual cost.

9.2 Aggregate project values

In determining the appropriate approval route and procurement requirements, the Trust shall consider the aggregate value of the entire project or requirement.

This shall include:

1. all related goods and services or works,
2. implementation costs,
3. maintenance, support,
4. renewals,
5. extensions
6. and any other anticipated expenditure.

Contracts, projects, orders or expenditure commitments must not be artificially divided to avoid delegated authority limits, quotation requirements, tender thresholds or legislative procurement obligations.

9.3 Capital Projects and Expenditure from Reserves

Capital projects and any expenditure funded wholly or partly from Trust reserves shall be approved on the basis of the total anticipated project value, including all associated costs, fees, professional services, equipment, contingency provisions, contract variations and other related expenditure.

Before approval is sought, an appropriate business case shall be prepared setting out:

- the purpose and expected outcomes of the project;
- the total estimated project cost;
- the proposed funding source, including any use of reserves;
- key risks and mitigating actions;
- any contingency allowance included within the project budget; and
- any ongoing revenue implications arising from the project.

Approval limits shall apply to the total approved project value and not to individual contracts, phases or elements of the project. Projects must not be artificially divided to avoid delegated authority limits or governance requirements.

Any proposed increase to the approved project budget, use of contingency funds, or contract variation that causes the total project value to exceed the originally approved project budget shall be approved at the appropriate delegated authority level based on the revised total project value.

The Chief Financial Officer shall monitor approved capital projects and expenditure funded from reserves and shall report material variances, significant contract variations and any forecast overspends to the Resources, Audit and Risk Committee as appropriate.

Where expenditure is included within an approved annual budget, the CEO may approve expenditure within the delegated authority limits set out in these Regulations without requiring separate project approval, provided that the expenditure does not create an additional call on Trust reserves

9.4 Procurement Approval Responsibilities

By approving expenditure, the authoriser confirms that:

- the expenditure is necessary for the Trust's business;
- procurement requirements and spending thresholds have been complied with;
- value for money has been appropriately assessed and evidenced;
- the proposed purchase represents an appropriate balance of cost, quality, service, risk and relevant social value;
- all appropriate procurement, compliance and due diligence checks have been completed;
- the expenditure falls within their delegated authority; and
- where expenditure is not within an approved budget provision, or funding has not been identified, the appropriate higher-level approval has been obtained in accordance with the Scheme of Delegation.

9.5 Delegated Approval Limits

The CEO for the central function and headteachers for academies may authorise expenditure on goods and services :

up to and including £10,000	where the expenditure is included within an approved budget or expenditure is unbudgeted and above £5,000 and CEO approval has been obtained.
up to and including £5,000	where expenditure has not been included within an approved budget
Up to budget provision specifically approved by board	for utility procurements

Expenditure exceeding the limits above shall be approved as follows:

Above £10,000 to £30,000:	CEO
Above £30,000 and under £50,000	Resources, Audit and Risk Committee
£50,000 and above	Trust Board

For Central Trust budgets, the CEO may formally appoint designated budget holders and allocate budget responsibility to them. Such appointments shall be documented in writing and maintained by the CFO. Designated budget holders may approve expenditure within approved budget provision in accordance with any authority delegated to them by the CEO and these Financial Regulations. The CEO retains overall accountability for expenditure incurred against Central Trust budgets.

9.6 NEW: Contract Signing Authority

The authority to sign a contract is separate from the authority to approve expenditure. No contract or agreement may be signed on behalf of the Trust unless all required budgetary, procurement and governance approvals have been obtained in accordance with these Financial Regulations.

Authority to sign a contract does not confer authority to approve expenditure or commit the Trust to expenditure beyond an individual's delegated approval limits.

Approval of expenditure or procurement does not itself confer authority to sign a contract.

Contracts and agreements may only be signed by individuals authorised under these Financial Regulations or specifically authorised by the CEO or Board of Trustees.

Where a contract or agreement has been approved by the Resources, Audit and Risk Committee or the Board of Trustees, the approving body shall identify within its minutes the individual authorised to execute the contract on behalf of the Trust.

Contracts with a total value **£30,000 and above** over the life of the agreement should normally be executed centrally by the CEO or another individual specifically authorised by the CEO or Board of Trustees.

The following signing limits apply:

Role	Maximum Contract Value
Headteacher	Up to and including £10,000
Headteacher or Director specifically authorised by the CEO at the point of procurement approval	Up to and including £30,000
Chief Executive Officer	£30,000 and above
Headteacher or Director specifically authorised by the Board of Trustees	£30,000 and above
Chair of Trustees / Trustees	Reserved matters or where specifically authorised by the Board

All signed contracts must be retained in accordance with the Trust's document retention requirements and be available for audit and inspection.

9.7 Contracts Register and Authority to Execute Contracts

Where a contract or agreement has been approved by the Resources, Audit and Risk Committee or the Board of Trustees, the minutes shall record the individual authorised to execute the contract on behalf of the Trust. No contract may be signed until all required budgetary, procurement, governance and delegated authority approvals have been obtained.

Each academy and the Trust central function shall maintain an up-to-date register of contracts and service agreements for which it is responsible. The Director of Finance and Procurement shall

maintain a consolidated Trust-wide contracts register or have unrestricted access to academy contract registers to provide oversight of contractual commitments across the Trust.

Contract records shall include, where applicable:

- supplier or contracting party;
- description of the contract;
- annual and total contract value;
- commencement date;
- expiry date;
- renewal, extension and notice provisions;
- procurement route used;
- approving authority;
- authorised signatory; and
- contract owner.

Academy and Trust contract records shall be reviewed periodically to ensure they remain accurate and up to date and to support the effective management of contract renewals, retendering requirements and procurement planning.

Significant contractual commitments and contracts requiring procurement action shall be reported to the Resources, Audit and Risk Committee as appropriate.

10 Purchase to Payment Controls

All expenditure must comply with these Financial Regulations, delegated authority limits and applicable legal and regulatory requirements.

10.1 Purchase Orders

Official purchase orders must be raised for all purchases of goods, services and works unless an alternative arrangement has been approved by the CFO.

Before a purchase order is issued, the Finance Officer shall verify that:

- appropriate approval has been obtained;
- sufficient budget provision exists; and
- any applicable procurement requirements have been satisfied.

Purchase orders must:

- be raised before the order is placed with the supplier;
- clearly identify the goods, services or works required;
- identify the appropriate budget code;
- be supported by any required procurement documentation; and
- be authorised in accordance with the delegated authority limits set out in these Financial Regulations.

The Trust operates a single purchase ledger and all purchase orders shall be raised and authorised through the Trust's approved financial system.

In exceptional circumstances where a verbal order is necessary, a purchase order must be raised and recorded on the financial system as soon as practicable. Verbal orders must not be used to circumvent procurement or approval requirements.

10.2 Receipt of Goods and Services

All goods, services and works received must be checked against the purchase order, contract or other supporting documentation to confirm that they are complete, accurate and meet the required specification.

The person receiving the goods or services is responsible for confirming that:

- the correct goods or services have been received;
- quantities are accurate;

- items are free from obvious defects or damage; and
- the goods, services or works are fit for purpose.

Where a delivery note is provided, it should be checked and signed as evidence of receipt. Where a delivery note is not available, alternative evidence must be obtained that confirms the goods, services or works have been received or completed satisfactorily. Such evidence may include email confirmation, service reports, completion certificates, system records or confirmation from the budget holder or end user.

Any shortages, defects, damaged goods or discrepancies must be reported promptly to the supplier and Finance Officer and recorded appropriately.

Where a purchase order has been raised, receipt must be recorded on the financial system through a Goods Received Note (GRN) or equivalent confirmation before payment is authorised.

For consultancy, maintenance contracts, services or works, the employee responsible for overseeing the work or receiving the service shall confirm that it has been delivered in accordance with the agreed specification before payment is approved. Such confirmation may be provided by the Site Team, IT Team, project lead, contract manager or other appropriate member of staff. Appropriate evidence of completion or satisfactory delivery should be retained.

Where practicable, the ordering of goods or services, confirmation of receipt and authorisation of payment should be undertaken by different individuals to maintain appropriate segregation of duties.

10.3 Invoice Processing

All invoices must be reviewed and processed by the Finance Officer and checked against the relevant purchase order, receipt records and supporting documentation before payment is approved.

The Finance Officer shall verify that:

- the goods, services or works have been received;
- the invoice relates to an authorised purchase;
- pricing and calculations are correct;
- the expenditure has been charged to the appropriate budget; and
- the invoice has not previously been paid.

Payments must not be made against supplier statements. Duplicate or copy invoices must not be paid unless appropriate checks have confirmed that no previous payment has been made.

Payment runs shall be reviewed and approved by the Headteacher for academy expenditure or by the CEO for central Trust expenditure, in accordance with the delegated authority limits set out in these Financial Regulations.

10.4 Payment of Suppliers

Payments shall be made in accordance with agreed contractual terms and with due regard to the prompt payment of suppliers.

All payments must be supported by appropriate documentation and authorised in accordance with these Financial Regulations and the Trust's banking controls.

A complete audit trail must be maintained for all payments, including supporting documentation, approvals, payment references and remittance information.

Where prompt payment discounts are available, they may be taken where this represents value for money for the Trust.

10.5 Contractors and Insurance

Before engaging contractors or service providers, appropriate due diligence checks must be undertaken, proportionate to the nature and risk of the goods, services or works being provided. Such checks may include verification of insurance cover, qualifications, accreditations, references, safeguarding requirements and any other documentation considered necessary.

Contractors undertaking works on Trust premises must normally provide evidence of adequate insurance cover relevant to the activities being undertaken. Contractors carrying out building, construction, maintenance or other higher-risk works must normally hold Public Liability Insurance of not less than **£5 million**, unless a higher level is required by the Trust, its insurers or the nature of the works.

The **Headteacher** is responsible for ensuring that appropriate checks are completed for academy-based works. For centrally managed projects, responsibility rests with the **Director of Finance and Procurement**.

Evidence of insurance cover and any other required checks must be obtained and retained before works or services commence.

10.6 Retention of Purchasing Records

Financial records relating to purchasing and expenditure, including quotations, tenders, purchase orders, invoices, approvals and payment records, must be retained securely in accordance with the Trust's document retention requirements.

Electronic records held within the Trust's approved financial systems shall be regarded as the official record where appropriate.

11. Payroll and Pensions

The Trust shall maintain effective controls over payroll and employee remuneration to ensure that payments are accurate, properly authorised, supported by appropriate documentation and comply with contractual, statutory and regulatory requirements.

11.1 Executive Pay

The Board of Trustees is responsible for determining executive pay arrangements and must ensure that decisions relating to executive remuneration are transparent, evidence-based and represent good value for money.

The Board shall ensure that:

- the process for determining executive pay is agreed and documented;
- decisions are subject to appropriate independence and objective scrutiny;
- conflicts of interest are identified and managed appropriately;
- remuneration reflects the individual's role, responsibilities, performance and experience;
- appropriate benchmarking and market comparisons are undertaken; and
- the rationale for decisions is clearly documented.

The Trust shall comply with the disclosure requirements of the Academy Trust Handbook and publish information relating to employees whose benefits exceed prescribed thresholds where required.

11.2 Payroll Administration and Controls

All changes to employee contracts, salaries, allowances, starters, leavers and other payroll adjustments must be authorised by the Headteacher for academy-based staff or by the CEO for central Trust staff before being processed through payroll. All changes must be supported by appropriate documentation and retained for audit purposes.

No individual may authorise changes to their own pay, contractual terms, employment conditions or benefits.

Changes relating to the pay, contractual terms or employment conditions of a Headteacher must be authorised by the CEO.

Changes relating to the pay, contractual terms or employment conditions of the CEO must be approved by the Board of Trustees and authorised for processing by the Chair of Trustees, or another Trustee specifically authorised by the Board.

The Trust shall maintain adequate segregation of duties between the authorisation of payroll changes, payroll processing and payroll review activities.

The Finance Officer is responsible for undertaking regular payroll checks and reconciliations to ensure that payroll payments and deductions are accurate and consistent with approved payroll records and authorised staffing changes. For central Trust operations, this responsibility rests with the Director of Finance and Procurement.

Monthly payroll reconciliations shall be undertaken to:

- reconcile payroll reports to payments made;

- reconcile payroll control accounts;
- investigate and resolve any discrepancies;
- ensure payroll expenditure is charged to the appropriate budgets; and
- confirm that payments made through payroll are appropriately authorised;
- review monthly payroll costs against approved budgets, staffing establishments and known staffing changes to identify any unusual, unexpected or unauthorised variations.

Evidence of payroll reconciliations and reviews must be retained for audit purposes.

In addition to monthly payroll reconciliations, the Trust shall undertake an annual verification of payroll records against approved personnel and contractual records to ensure that salary payments remain accurate, properly authorised and supported by appropriate documentation.

Payroll records, supporting documentation and correspondence with payroll providers must be retained securely in accordance with data protection requirements and the Trust's document retention procedures.

No employee may authorise changes to their own pay, contractual terms or employment benefits.

Changes relating to the pay and contractual arrangements of the Chief Executive Officer must be approved by the Board of Trustees. Changes relating to other senior leaders shall be approved in accordance with the Scheme of Delegation and applicable governance arrangements.

11.3 Pension Schemes

The Trust shall comply with the requirements of the Teachers' Pension Scheme (TPS), the Local Government Pension Scheme (LGPS) and any other applicable pension arrangements.

Appropriate controls shall be maintained to ensure that pension contributions, employee data and statutory returns are calculated accurately and submitted within the required timescales.

The Trust shall ensure that all eligible employees are enrolled in the appropriate pension scheme and that employer and employee contributions are deducted, recorded and remitted in accordance with scheme requirements.

Pension records shall be maintained to support the accuracy of contributions and to provide an appropriate audit trail. Any discrepancies identified shall be investigated promptly and corrected where necessary.

Any proposal to offer an alternative pension arrangement to the Teachers' Pension Scheme or Local Government Pension Scheme will be referred to the Department for Education (DfE) at an early stage.

No such proposal shall be communicated to employees or implemented without any approvals required by the DfE.

12 Special Payments and Severance Payments

12.1 General Principles

Special payments are transactions that fall outside the Trust's normal planned activities and exceed statutory, contractual or regulatory obligations. Such payments are subject to greater scrutiny and control than ordinary expenditure and must comply with the requirements of the Academy Trust Handbook, HM Treasury's *Managing Public Money* and any applicable DfE guidance. These may include:

- Staff severance payments.
- Compensation payments.
- Ex gratia payments.
- Extra-contractual, extra-statutory or extra-regulatory payments.
- Any other payment classified as a special payment under HM Treasury guidance.

All special payments must be supported by a robust business case demonstrating propriety, regularity, value for money and that the payment is in the best interests of the Trust.

12.2 Staff Severance Payments

Staff severance payments must not be made where they could be perceived as a reward for poor performance, misconduct or failure. In cases involving gross misconduct, any settlement must be supported by legal advice indicating that the employee is more likely than not to succeed in an employment tribunal claim due to procedural failings. In cases involving poor performance, the Trust must consider whether the proposed settlement represents better value for money than pursuing formal capability or performance management procedures.

No settlement agreement shall be entered into unless it complies with the Academy Trust Handbook and relevant DfE guidance.

12.3 Special Staff Severance Payments

A special staff severance payment is a payment made to an employee on leaving employment that is above statutory or contractual entitlement. Such payments are distinct from ex gratia payments.

Where the Trust is considering a special severance payment, it must:

- Follow current DfE and HM Treasury guidance on special severance payments.
- Demonstrate that the payment is in the Trust's best interests.
- Obtain and consider appropriate legal advice regarding the likelihood of successfully defending any employment claim.
- Only offer a settlement where there is a clear value-for-money case.
- Ensure that any settlement amount is less than the likely award that a tribunal or other adjudicating body would make.

Special severance payments must be supported by a documented business case and approved at the appropriate level of delegated authority.

12.4 DfE Approval Requirements

Prior approval from the Department for Education must be obtained before making any offer or entering into any binding commitment where:

- The non-statutory or non-contractual element of a severance payment is **£50,000 or more (gross)**.
- An exit package of **£100,000 or more** includes a special severance payment.
- The employee's remuneration exceeds the threshold specified in the Academy Trust Handbook.
- The payment is novel, contentious or repercussive.
- The settlement includes a confidentiality clause relating to a special severance payment.

The same level of scrutiny and value-for-money assessment must be applied to severance payments below the DfE approval threshold.

12.5 Confidentiality Clauses

Confidentiality clauses relating to special severance payments must not be used unless prior DfE approval has been obtained.

For all severance agreements, whether special or otherwise, confidentiality clauses:

- Must not restrict an individual's statutory right to make protected disclosures or whistleblowing reports.
- Must not prevent the DfE from obtaining sufficient information to fulfil its regulatory responsibilities.

12.6 Compensation Payments

Compensation payments are payments made to provide redress for loss, damage or injury, including personal injury claims or property damage.

Any proposed compensation payment must be supported by an appropriate assessment of liability, value for money and, where appropriate, legal advice.

The Trust may approve compensation payments provided any non-statutory or non-contractual element is less than **£50,000**. Prior DfE approval must be obtained before making any compensation payment where the non-statutory or non-contractual element is **£50,000 or more**.

12.7 Ex Gratia and Other Special Payments

Other special payments include:

- Ex gratia payments.
- Extra-statutory payments.
- Extra-contractual payments.
- Extra-regulatory payments.

These payments fall outside normal statutory, contractual or regulatory obligations and are subject to the highest level of scrutiny.

All such payments must be referred to the DfE for prior approval before any commitment is made. Where there is any uncertainty as to whether a proposed transaction constitutes a special payment, advice should be sought from the DfE before proceeding.

12.8 Record Keeping

The Trust must retain a complete audit trail for all special payments, including:

- The business case.
- Details of approvals obtained.
- Supporting evidence.
- Legal advice received.
- Value-for-money assessments.
- The rationale for the decision made.

All records shall be retained in accordance with the Trust's records management requirements and be available for audit and regulatory review.

12.9 Payment of Additional Hours

Headteachers are authorised to incur appropriate expenditure up to the level agreed within the annual budget.

Beyond this limit, authorisation can only be made by the CEO.

No additional hours or overtime should be undertaken without the **prior** approval of the Headteacher/Head of School.

NEW: The Trust follows Essex Local Government Pay and Conditions and will follow the pay point thresholds for payment for additional hours. Above the pay point threshold, time of in lieu is applicable rather than payment.

NEW: Where an employee is required to undertake a genuinely distinct role, project or responsibility outside the scope of their substantive post, the Trust may establish a separate fixed-term contract for the additional duties. Such arrangements must be appropriately authorised, time-limited and represent value for money.

12.10 Monitoring Salary Payments

It is the responsibility of the CFO 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 CEO and Headteacher/Head of School will be authorised by the Trust Board.

12.11 Supply Staff

- 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.

13 Risk Management

The Board of Trustees is responsible for establishing and overseeing the Trust's risk management framework and ensuring that effective arrangements are in place to identify, assess, manage and monitor strategic, operational, financial, compliance and reputational risks. Responsibility for risk management remains with the Board and cannot be delegated, although detailed scrutiny and monitoring may be undertaken by a committee or designated officer.

The Trust shall maintain a Risk Register that identifies significant risks facing the Trust, the controls and mitigations in place, the assessed level of risk, and the officer responsible for managing each risk. The Risk Register shall be reviewed regularly and reported to the Board and Resources, Audit and Risk Committee in accordance with the Trust's governance arrangements.

Headteachers are responsible for maintaining a local academy risk register that identifies significant risks within their academy and the actions being taken to manage them. Local risk registers should be reviewed regularly and submitted to the CFO for monitoring and incorporation into the Trust's wider risk management arrangements.

Any risk that may have a significant impact on the Trust's finances, operations, regulatory compliance, educational provision, reputation or business continuity must be reported promptly to the CFO, Chief Executive Officer and, where appropriate, the Board of Trustees.

13.1 Business Continuity

The Trust shall maintain appropriate business continuity arrangements to support the continued delivery of critical services in the event of a disruption or emergency.

Each academy and central function shall maintain a Business Continuity Plan identifying key risks, critical activities, response arrangements and recovery procedures. Plans shall be reviewed at least annually and following any significant incident, organisational change or identified weakness.

Headteachers are responsible for maintaining business continuity arrangements within their academy. The CFO supported by the Director of Finance and Procurement is responsible for coordinating business continuity arrangements for central Trust operations and providing oversight of Business Continuity Plans across the Trust.

Copies of current Business Continuity Plans shall be retained centrally and made available for review by the Board, Resources, Audit and Risk Committee and relevant senior leaders as required.

13.2 Leadership Absence and Delegation Arrangements

To ensure continuity of leadership, decision-making, financial governance and business operations, the Trust shall maintain clear arrangements for periods of absence affecting key leadership roles.

Headteacher Absence

Where the Headteacher is absent, the Deputy Headteacher designated as Acting Headteacher shall exercise the delegated authorities of the Headteacher for the duration of that absence.

The designation of an Acting Headteacher may be made by the Headteacher or CEO and should be documented and filed with the Governance Professional and reported to next RAR.

For the purposes of these Financial Regulations, references to the Headteacher shall include the Deputy Headteacher when formally designated as Acting Headteacher. The Acting Headteacher may exercise the delegated financial authorities of the Headteacher in accordance with these Financial Regulations and the Scheme of Delegation.

CEO Absence

For planned periods of CEO absence, the CEO or the Chair of Trustees may delegate specific operational and financial responsibilities in writing to appropriately qualified senior leaders.

This should be filed with the Governance Professional and reported to next RAR.

The Director of People and Operations Officer (DOPO) may be designated by the CEO as the Trust's Functional Executive Lead during the CEO's absence. Under this delegation, the DOPO may exercise the CEO's delegated financial approval authority for expenditure and contractual commitments up to and including £30,000, provided that:

- the expenditure complies with approved budgets and these Financial Regulations;
- procurement requirements have been satisfied; and
- the delegation has been approved in writing by the CEO or the Chair of Trustees.
- Expenditure and contractual commitments £10,000 and above have been countersigned by the CFO. Expenditure under £10,000 will not require CFO countersignature.

Expenditure and commitments above £30,000 shall continue to be approved in accordance with the delegated authority levels contained within these Financial Regulations.

The CFO shall not assume the statutory responsibilities of the Accounting Officer. The CEO remains the Trust's Accounting Officer unless alternative arrangements are formally approved. The CFO will remain accountable to the appointed Accounting Officer and responsible for overseeing the Trust's financial management, financial planning, control framework, financial reporting, risk management and regulatory compliance, ensuring that public funds are managed with propriety, regularity and value for money.

Where CEO approval would otherwise be required and no prior delegation exists, or where the DOPO is unavailable, the Chair of Trustees may exercise the CEO's delegated approval authority and shall report any approvals made under this provision to the next meeting of the Resources, Audit and Risk Committee or Trust Board.

Any significant matter relating to regularity, propriety, fraud, financial irregularity, safeguarding of public funds or regulatory compliance arising during the CEO's absence shall be referred immediately to the Chair of Trustees and CFO.

Where a CEO absence is expected to exceed 20 working days, the Trust Board shall determine and formally record appropriate interim leadership arrangements.

Chair of Trustees Absence

Where these Financial Regulations require action, approval or consultation by the Chair of Trustees and the Chair is unavailable, the Vice Chair of Trustees shall act in their place and may exercise the delegated authority of the Chair for the purposes of these Regulations.

If both the Chair and Vice Chair are unavailable, the Trust Board may nominate another Trustee to act on behalf of the Chair for a specified matter or period. Such arrangements shall be recorded in the relevant Board or Committee minutes.

Any approval, decision or authority exercised by the Vice Chair or nominated Trustee under this provision shall have the same validity as if exercised by the Chair and shall be reported to the next appropriate meeting of the Trust Board or Resources, Audit and Risk Committee.

For urgent matters requiring immediate action to safeguard Trust operations, finances, compliance or business continuity, the CEO and CFO may consult with any Trustee authorised under this provision pending formal ratification where required.

Record Keeping

All delegations, approvals and decisions exercised under this section shall be appropriately documented and retained as part of the Trust's governance records.

Summary of Succession Arrangements

Unless alternative arrangements are formally approved by the Trust Board, succession arrangements are as follows.

All arrangements must be documented and filed with the Governance Professional and reported to next RAR.

Role	Approval	Contingency	Additional Requirement
Headteacher	Headteacher or CEO	Designated Deputy headteacher	
CEO	CEO or Chair of Trustees	Director of People & Operations (*)	CFO Countersignature for expenditure above £10,000 and under £30,000 *Chair of Trustees can exercise CEO approval authority where DOPO not available. Any approvals made under this provision to the next meeting of the Resources, Audit and Risk Committee or Trust Board.
Chair of Trustees	Vice Chair		Any approvals made shall be reported to the next appropriate meeting of the Trust Board or

			Resources, Audit and Risk Committee.
Chair and Vice Chair absent	Trustee nominated by the Board to act		As above

These arrangements are intended to ensure continuity of leadership, effective governance and uninterrupted decision-making across the Trust.

14 Conflicts of Interest and Related Party Transactions

All Trustees, Governors and employees must act with integrity and ensure that personal interests do not improperly influence decisions involving Trust funds.

A Register of Interests shall be maintained and kept up to date, recording relevant business, financial and personal interests, including those of close family members and connected persons where a conflict may arise. The Register shall be published where required by the Academy Trust Handbook and other applicable requirements.

At the start of each meeting, attendees must declare any new interests or any existing interests relevant to the matters being considered. Any individual with a conflict of interest must withdraw from discussion and decision-making on the relevant matter.

The Trust shall manage conflicts of interest in accordance with the Academy Trust Handbook and ensure that decisions are made objectively and in the best interests of the Trust.

Related Party Transactions

Trustees, Governors and employees must not use their position to secure personal benefit or financial advantage.

All related party transactions must comply with the Academy Trust Handbook and be conducted openly, transparently and in the best interests of the Trust.

Where goods or services are provided by a related party:

- the Trust must ensure that the arrangement represents value for money and is procured through a fair and transparent process;
- where required by the Academy Trust Handbook, charges must not exceed cost and appropriate assurance must be obtained from the supplier; and
- all related party transactions must be declared, recorded and disclosed in accordance with the Academy Trust Handbook and the Academies Accounts Direction.

The Trust must report all new related party expenditure transactions to the Department for Education (DfE) before entering into the arrangement.

Prior DfE approval must be obtained before entering into:

- any related party transaction for the supply of goods or services exceeding **£40,000** in a financial year;
- any related party transaction that is **novel, contentious or repercussive**, irrespective of value; or
- any transaction otherwise requiring approval under the Academy Trust Handbook.

All related party transactions must be supported by appropriate documentation and retained as part of the Trust's financial records.

15 Bad Debts/Guarantees, Letters of Comfort or Indemnities

NEW: Thresholds

The Trust will take all reasonable steps to recover outstanding debts before considering a write-off. Any proposed write-off must be supported by appropriate evidence demonstrating that recovery action has been undertaken and that further action would not represent value for money.

For all proposed debt write-offs must be reviewed and countersigned by the Chief Financial Officer (CFO), or another senior finance officer nominated by the CFO, prior to processing. Such review shall confirm that appropriate recovery action has been taken, the write-off is justified, and the proposal complies with these Financial Regulations.

The trust will only consider writing-off losses after careful appraisal, including whether all reasonable recovery action has been taken with the debtor, the trust's insurers, or the risk protection arrangement, and should be satisfied there is no feasible alternative.

The amounts for write-offs are before successful claims from an insurer or the risk protection arrangement.

The write-off of debts owed to the trust, can be approved as follows and in accordance with the Trust's procurement and financial approval thresholds, following CFO review of action taken:

Up to and including £250	Headteacher, subject to CFO countersignature.
Up to and including £5,000	Chief Executive Officer, following CFO recommendation.
Above £5,000	Board of Trustees

The CFO shall maintain a register of all approved debt write-offs and shall provide an update on the register to each meeting of the Resources, Audit and Risk Committee, including confirmation where no write-offs have occurred since the previous meeting. The activity report shall include the value, nature, approval obtained and recovery action undertaken in respect of each write-off approved since the previous meetings.

The Trust must obtain prior approval from the Department for Education for write-offs of debts or losses that exceed the limits set out in the Academy Trust Handbook.

Transactions must not be artificially split or sequenced to circumvent approval thresholds.

The academy trust will obtain DfE's prior approval for the following transactions beyond the delegated limits described below:

- writing-off debts and losses
- entering into guarantees or letters of comfort
- entering into indemnities which are not in the normal course of business

Delegated Limit: **over 1% of total funding or £45,000 per single transaction (whichever is the smaller)**

The Trust shall also monitor the cumulative value of write-offs, guarantees, letters of comfort and indemnities during each financial year and obtain DfE approval where the cumulative value exceeds the

limits set out in the Academy Trust Handbook. For the purposes of these thresholds, annual income shall be determined in accordance with the Academy Trust Handbook.

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

Before accepting liabilities by issuing guarantees, a letter of comfort or indemnity, the trust should secure value for money by appraising the proposal through assessment of the costs and benefits of relevant options.

16 Leases

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

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

Trusts **will** obtain DfE's prior approval for the following leasing transactions:

- taking up a finance lease on any asset not on the DfE approved list in [Changes to leasing agreements for academy trusts](#) for any duration from another party, which are subject to the borrowing restrictions
- taking up a leasehold or tenancy agreement on land or buildings from another party for a term of 7 or more years
- granting a leasehold interest, including a tenancy agreement, of any duration, on land and buildings to another party

Other than the these, trusts do not require DfE's approval for operating leases.

The trusts will ensure any lease maintains the principles of value for money, regularity and propriety. Trusts will seek advice from professional advisers or external auditor if in doubt over whether a lease involves borrowing.

17 Insurance

The Board of Trustees is responsible for ensuring that the Trust maintains appropriate insurance arrangements. Insurance cover shall be reviewed periodically to ensure that it remains adequate for the Trust's assets, liabilities, activities and operational risks.

The CFO, supported by the Director of Finance and Procurement, is responsible for overseeing the Trust's insurance arrangements, managing renewals and claims, and ensuring that significant changes to the Trust's risk profile are reflected in insurance cover.

All actual or potential insurance claims must be reported promptly to the Director of Finance and Procurement.

18 Mileage Allowances and Subsistence Claims

The Trust will reimburse mileage expenses for approved business journeys at rates approved by the Trust and in accordance with HM Revenue & Customs limits.

Employees using a private vehicle for Trust business are responsible for ensuring that the vehicle is roadworthy, appropriately taxed, has a valid MOT where required and is insured for business use. By submitting a claim, the employee confirms compliance with these requirements. Mileage claims must be supported by appropriate journey records.

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.
- All expense claims are to be authorised by the Headteacher/Head of School or CEO (where applicable).
- The CEO or Trust Board must authorise all claims relating to the Headteacher/Head of School/CEO.
- Rates of subsistence will be paid in accordance with HMRC benchmark rates as amended from time to time, and shall only be payable for qualifying business travel supported by appropriate evidence.
- Claims for the purchase of alcohol will not be reimbursed.
- The trust may not reclaim VAT without a proper VAT receipt

19 Lettings Policy

The Board recognises the position of the schools in the local communities 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

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

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

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

20 Trustees and Governors Allowances

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, Audit and Risk Committee.

Expenses for the Chair of the Board must be signed by the Chair of the Resources, Audit and Risk Committee.

APPENDIX : Key Thresholds

Process	Value	Delegated Authority
Order Approval – first threshold	up to £1,000 1 quote / catalogue price / online comparison demonstrating value for money - must be obtained before goods or services are ordered. - Purchase requisition form should detail evidence obtained.	Headteacher – Deputy in their absence CEO for Central Trust <i>unless designated budget holder has been formally appointed</i> Chair of the Trust Board in the CEO's absence
Order Approval – second threshold	£1,000 to £5,000 - Use a compliant DfE procurement framework where possible - otherwise obtain a minimum of one written quotation, price comparison or other evidence of value for money - Any exception must be justified in writing and demonstrate value for money before goods or services are ordered. - Evidence of the quotes should be retained.	Headteacher – Deputy in their absence CEO for Central Trust <i>unless designated budget holder has been formally appointed</i> Chair of the Trust Board in the CEO's absence
Order Approval – third threshold (budgeted)	Above £5,000 to £10,000 (excluding utilities) when expenditure is included within the approved annual budget allocation - Use a compliant DfE procurement framework where possible - otherwise obtain a minimum of two written comparable quotations, price comparison or other evidence of best value. - Any exception must be justified in writing and demonstrate value for money before goods or services are ordered. - Evidence of the quotes should be retained.	Headteacher – Deputy in their absence CEO for Central Trust <i>unless designated budget holder has been formally appointed</i> Chair of the Trust Board in the CEO's absence

Order Approval – third threshold (not budgeted)	Above £5,000 to £10,000 (excluding utilities) when expenditure has not been included within the approved annual budget allocation • Use a compliant DfE procurement framework where possible • otherwise obtain a minimum of two written comparable quotations. • Any exception must be justified in writing and demonstrate value for money before goods or services are ordered. • Evidence of the quotes should be retained.	Headteacher when CEO prior approved order – Deputy in their absence CEO for Central Trust Chair of the Trust Board in the CEO's absence Central designated budget holder approve unbudgeted order with CEO order approval
Order Approval (Utilities)	Utilities up to budget approval value - a quote or price must be obtained before goods or services are ordered. Evidence of the quote should be retained.	Headteacher – Deputy in their absence CEO for Central Trust Chair of the Trust Board in the CEO's absence
Order Approval – Fourth threshold	Above £10,000 to £30,000 • Use a compliant DfE procurement framework where possible; • otherwise obtain a minimum of three written comparable quotations. • Any exception must be justified in writing and demonstrate value for money. • Evidence of the quotes should be retained	CEO Chair of the Trust Board in the CEO's absence Or other Trust Board designated officer
Order Approval – Fifth threshold	Above £30,000 to under £50,000 • DfE compliant framework • Or Formal Invitation to Quote (ITQ) issued to at least three suppliers required	Trust RAR Committee
Order Approval – highest threshold	£50,000 and above • DfE compliant framework • Or Formal Tender Process required or	Trust Board of Trustees

	Formal tender process to be completed in conjunction with a specialist	
Regulated procurement under the Procurement Act 2023	Over £207,720 (incl VAT) – Supplies/Services Over £5,193,000 (incl VAT) – Works - Formal tender process - or call-off from a compliant framework agreement in accordance with the Procurement Act 2023	Trust Board of Trustees
Related Party Transactions	Over £40,000	DFE approval required prior to entering into transactions. All related party transactions, regardless of value, must be reported to the DFE before arrangement
Novel, contentious or repercussive related party transactions	N/a	DfE approval required irrespective of value

Banking Signatories

Value	Delegated Authority	Additional Guidance
Direct Debit Mandates	Up to and including £10,000	Any one from Category C plus any one from Category A or B
	Up to and including £50,000	Any two from Category B or any two from either Category A or B
	Above £50,000	Any two from Category B plus Chair of Trustees or any three from Category B
BACS	Total Value of Bacs File less than £50,000	Two approvers from Group 1 or 2
	Total Value of Bacs File £50,000 or more	Two approvers with at least one approver from Group 1
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 £10,000 or more	Any one plus one from Group 1	

Acquisition/Disposal of Land and Buildings

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

Disposal of Surplus Stock, Stores & Assets

Value basis: Higher of NBV and estimated market value

Value	Delegated Authority	Additional Guidance
Up to and including £500	Headteacher	Subject to review by the CFO or Director of Finance and Procurement. Write-off forms to be completed.
Up to and including £5,000	CEO	Write-off forms to be completed
Above £5,000	Board of Trustees	Write-off forms to be completed and advised to CEO & CFO for board approval

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

Value	Delegated Authority	Additional Guidance
Up to and including £250	Headteacher	All proposed debt write-offs must be reviewed and countersigned by the CFO, or another senior finance officer nominated by the CFO, prior to processing. Appropriate evidence of recovery action must be retained.
Up to and including £5,000	CEO	CFO recommendation required. Write-off documentation and recovery evidence to be retained.
Above £5,000	Trust Board of Trustees	Board of Trustees Board approval to be formally minuted.
Above 1% of total revenue income or £45,000 per transaction (whichever is lower)	DFE Approval	In accordance with the Academy Trust Handbook delegated limits.

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Special Payments

Value	Delegated Authority	Payment Type
Up to £50,000 before income tax and other deductions	Trust Board	Special Severance Payments and Compensation Payments
£50,000 or more non-statutory or non-contractual element	DfE Approval Required	Special Staff Severance Payments
Exit package of £100,000 or more including a special severance payment	DfE Approval Required	Special Staff Severance Payments
Employee remuneration exceeds Academy Trust Handbook threshold	DfE Approval Required	Special Staff Severance Payments
Novel, contentious or repercussive payment	DfE Approval Required	Special Severance, Compensation or Other Special Payments
Confidentiality clause relating to a special severance payment	DfE Approval Required	Special Staff Severance Payments
Compensation payment with non-statutory or non-contractual element of £50,000 or more	DfE Approval Required	Compensation Payments
Any value	DfE Approval Required	Ex-gratia, Extra-statutory, Extra-contractual or Extra-regulatory Payments

Other Monetary Limits

	Values	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 with CFO approval. This is subject to a reconciliation being completed on a termly basis between receipts held/paid, cash held and the accounting system, reviewed by the headteacher.
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	Non-capital assets £500+ Attractive and portable items £250+ Additional items as determined by the CFO or Director of Finance and Procurement	
Asset Register	Capitalisation threshold £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
- Staff Expenses Policy
- Bad Debt & Redundant Equipment Policy
- Conflicts of Interest Policy

SEAX Trust Registered Company Number 07747149

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